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Government
Publications

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament
1959

SPECIAL COMMITTEE ON
BROADCASTING

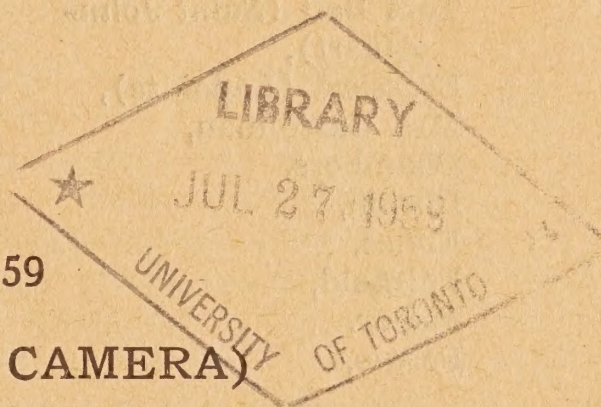
Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 21

FRIDAY, JULY 10, 1959

TUESDAY, JULY 14, 1959 (IN CAMERA)



CANADIAN BROADCASTING CORPORATION
INCLUDING SECOND REPORT TO THE HOUSE

WITNESSES:

Messrs. R. P. Landry, Assistant to the President, Canadian Broadcasting Corporation; J. P. Gilmore, Controller of Operations; W. R. Johnston, Assistant Controller of Broadcasting (Commercial); W. G. Richardson, Director of Engineering; R. C. Fraser, Director of Public Relations; G. Young, Assistant Controller of Broadcasting (Station Relations); and M. Ouimet, Deputy Controller of Broadcasting.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.,

Vice-Chairman: J. Flynn, Esq.,

and Messrs.

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-
Albert*),
Brassard (*Lapointe*),
Mrs. Casselman,
Chambers,
Dorion,
Eudes,
Fairfield,
Fisher,
Forgie,

Fortin,
Johnson,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Muir (*Lisgar*),
McCleave,
McGrath,
McIntosh,
McQuillan,

Nowlan,
Paul,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Taylor,
Tremblay.

J. E. O'Connor,
Clerk of the Committee.

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REPORT TO THE HOUSE

The Special Committee on Broadcasting has the honour to present the following as its

SECOND REPORT

On Wednesday, April 29, 1959, your Committee was constituted with the following Order of Reference:

That a Select Committee be appointed on Broadcasting to consider radio and television broadcasting together with the Annual Report of the Canadian Broadcasting Corporation, and to review the operations, policies and aims of the Corporation and its revenues, expenditures and development, with power to examine and inquire into the matters herein referred to, and to report from time to time their observations and opinions thereon, and to send for persons, papers and records;

That the Committee have power to print such papers and evidence from day to day as may be deemed advisable or necessary;

That the Committee have power to meet while the House is sitting;

That the Committee shall consist of 35 members;

That Standing Orders 66 and 67 be suspended in relation thereto.

In order to fulfill its responsibilities as set forth in its Order of Reference your Committee hoped to include in its study the following:

1. The Canadian Broadcasting Corporation—its organization and structure; aims and functions; policies and operations; revenue and expenditures; and programming and plans for future development.

2. The Board of Broadcast Governors—its views on its role in Broadcasting; its relationship to the Canadian Broadcasting Corporation and to the regulation of public and private Broadcasting.

3. The Canadian Association of Broadcasters and such other representatives of independent radio and television as wished to present to the Committee views on the subject of Broadcasting.

Although your Committee has held 33 meetings, heard statements and recorded evidence from the Board of Broadcast Governors and senior officers of the Canadian Broadcasting Corporation; as a result of the thorough nature of its study and the limited time available it was possible only to consider in detail the first item of its proposed program, that is the Canadian Broadcasting Corporation.

To facilitate its examination, the Committee adopted a very detailed and exhaustive agenda dealing with C.B.C. matters. It was able to complete this agenda, but regrets to report that due to shortage of time, it was unable to hear all the witnesses necessary to report on all matters set out in the terms of reference. Specifically, your Committee was unable to complete its examination of the Board of Broadcast Governors and no representatives of the private broadcasters were heard. This leads your Committee to the conclusion that its work is incomplete.

Accordingly, your Committee recommends that it be reconstituted at the earliest possible stage of the next ensuing Session of Parliament, and be then authorized to complete the hearing of evidence and to present its final conclusions and recommendations to the House and that the terms of reference permit the Committee to use the evidence taken at this Session for such purposes.

Your Committee affirms its support of the basic aims and objectives of the C.B.C. We commend the officers of the Corporation for their efforts to further these aims and objectives.

Your Committee regrets that it must report its conviction that the administrative structure of the Corporation is weak and in need of a thorough revision. There is a lack of clear definition of responsibilities and authority of the various executives and junior executives of the Corporation. There appears to be at times a multiplicity of authority, at others, a divided authority in the Corporation, and an apparent lack of effective liaison between the top-level management team on the one hand and those directly responsible for program production and distribution on the other. This has caused confusion and a wavering in morale of many employees, which are factors to which recent troubles of the Corporation may be largely attributable.

Your Committee believes that the process of decentralization of the Corporation's administrative and managerial functions may well have gone too far. The Board of Directors should give immediate consideration to an administrative reorganization and the restoration of clear authority and responsibility to the central headquarters in Ottawa.

Your Committee believes that the Board must assume full responsibility for policy, and recommends that the person occupying the position of Chairman of the Board shall not hold other executive offices in the Corporation, and that a Chairman of the Board be appointed.

Your Committee investigated the charge that "clandestine political influence" was responsible for the removal of the program, "Preview Commentary" and found no evidence to support the charge.

Your Committee recommends that a senior officer of the Corporation, with headquarters in Ottawa, be vested with the clear authority and responsibility for all supervision of production. This officer would be responsible for: liaison between top management and those responsible for the production, presentation and distribution of programs; the observance of budget control; the assurance that one person is definitively responsible for the production and presentation of each program or series of programs.

Your Committee gave lengthy attention to the financial operations of the Corporation. These operations divide naturally into capital expenditures and operating expenditures.

So far as capital expenditures are concerned, your Committee believes the test should be that of demonstrated unduplicated need. In view of the fact that the Corporation is required by Section 35(2) of the Broadcasting Act to submit to the Minister of National Revenue and the Minister of Finance before November 10, 1959, a five-year capital program, your Committee believes any further general comment would not be useful.

Your Committee gave lengthy attention to the financial operations of the those parts of Canada unserved or poorly served by C.B.C. radio and television. Your Committee received from the Director of Engineering a very detailed and enlightening presentation of the problem of extending service to presently unserved areas. These areas are in such contrast to the main urban regions with their diversity of such service, or with other choices, that we would commend to the C.B.C. and to the Governor-in-Council, when considering the capital budget, consideration of extension of facilities, wherever technically feasible, before other large capital expenditures related to the existing service structure (except where these expenditures result in operating economies) or any costly extension of programming hours. In this regard, we commend to the C.B.C. the minimum nodal population figure of 5,000 as a target for such extensions of service within the next five years.

Your Committee was unable to ascertain that there is any intelligible formula or pattern used in determining the annual budget of the C.B.C. The recent steep rises in the costs met by annual vote of Parliament is noted with concern.

It is suggested by your Committee that some formula be adopted whereby limits may be set on the annual contribution of the federal government to the Corporation. Further, your Committee is of the opinion that increased effort should be made to ensure the emergence of vigorous commercial policies.

Your Committee was concerned at the low rate of recovery on most sponsored television programs and the indefiniteness of the method of setting the prices for a program package. It is acknowledged that the dearth and spread of population in Canada, necessarily linked with an attenuated network service, creates a difficulty to recoup the entire cost of some types of programs.

Despite this, there is a suggestion of inequity in the disparity between the charges to different sponsors. Therefore, your Committee recommends to the Board of Directors a careful and immediate study of this problem, in order to find a practicable formula and to obtain the maximum return from sponsored programs. It is further recommended that where there is a program field such as sports, where the demand is high, that the C.B.C. should not compete in buying the telecasting rights but should allow such events to find their own level in the market, merely offering time and production facilities at a reasonable profit to the Corporation.

Your Committee believes that it is a basic function of the C.B.C. to achieve a national program balance as between the various forms of entertainment and other telecasts. But, your Committee is not convinced that this requires the C.B.C. to establish a monopoly on telecast production. The power of veto which the C.B.C. has over any proposed production is sufficient to enable the Corporation to carry out its mandate. Specifically, the Committee entertains real doubt that the C.B.C. should insist upon exclusive production rights in a sponsored show, which it then sells to a sponsor at less than cost.

Your Committee does not wish to express more than preliminary views on this subject, but it does recommend that the Board of Directors, in collaboration with the appropriate Controllers give immediate consideration to permitting and encouraging the production and presentation of broadcast network programs by other outside sources with a view to reducing costs, increasing income and encouraging in Canada the development of new pools of talent and new program production agencies.

In making a recommendation for study of this matter, the Committee emphasizes that it does not seek to derogate in any way from the essential authority of the C.B.C. Board of Directors and the Board of Broadcast Governors to bring about a balanced national program service.

Your Committee wishes to record its appreciation to officers of the Canadian Broadcasting Corporation and the Board of Broadcast Governors who appeared before it and contributed to its work.

A copy of the Minutes of Proceedings and Evidence is appended.

Respectfully submitted,

G. E. HALPENNY,
Chairman.

MINUTES OF PROCEEDINGS

FRIDAY, July 10, 1959.

The Special Committee on Broadcasting met at 9.35 a.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken, Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Brassard (*Lapointe*), Chambers, Dorion, Fisher, Flynn, Forgie, Halpenny, Johnson, Kucherepa, Lambert, Mitchell, Muir (*Lisgar*), McGrath, Pickersgill, Pratt, Taylor and Tremblay. (20).

In attendance: Mr. R. P. Landry, Assistant to the President, Canadian Broadcasting Corporation, assisted by Messrs. W. G. Richardson, Director of Engineering; Marcel Ouimet, Deputy Controller of Broadcasting; J. P. Gilmore, Controller of Operations; R. C. Fraser, Director of Public Relations; M. Henderson, Comptroller; W. R. Johnston, Assistant Controller of Broadcasting (Commercial); R. E. Keddy, Director of Organization; P. A. Halbert, Assistant Secretary, Board of Directors; Marcel Carter, Controller of Management Planning and Personnel; and G. Young, Assistant Controller of Broadcasting (Station Relations).

The Chairman observed the presence of quorum and read into the record answers to certain questions by Mr. Johnson at a meeting of the Committee on July 7th.

On the questions of the record of performance of the commercial organization for the past three years; comparison by location of information services, staff and costs; purpose and cost of publications; value of free time given to philanthropic organizations; functions of, and comparison by location of staff and cost of the Engineering Division; and construction undertaken during the last five years, Messrs. Johnston, Fraser, Richardson, Gilmore and Ouimet were questioned.

At 11.00 a.m. the Committee recessed in order that Members might attend the convening of the day's sitting of the House.

At 11.45 a.m. the Committee reconvened and information concerning costs of microwave and rental contracts; new construction plans; policy on calling public tenders; rental of studios and rehearsal halls; and architectural staff was elicited from Messrs. Richardson and Gilmore.

With regard to Part G of the Committee's Agenda, Messrs. Young, Johnston, Gilmore and Ouimet were questioned concerning relations with private radio and television; analysis of possible regional networks; and cost and justification of Dominion (Radio) Network.

At 1.10 p.m., the Committee having completed its agreed Agenda, adjourned to meet again at 9.30 a.m. on Tuesday, July 14, 1959.

TUESDAY, July 14, 1959.

The Special Committee on Broadcasting met *in camera*, at 9.40 a.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken, Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Brassard (*Lapointe*), Mrs. Casselman, Messrs. Chambers, Dorion, Fisher, Flynn, Forgie, Halpenny, Kucherepa, Lambert, Muir (*Lisgar*), McCleave, McGrath, McIntosh, McQuillan, Paul, Pickersgill, Pratt, Smith (*Calgary South*), Smith (*Simcoe North*) and Tremblay. (24).

Agreed,—To print as appendices to the recorded proceedings of Friday, July 10th, letters received from Messrs. Roland D'Amours and Pierre Chaloult, each referring to references made to them during the course of the Committee's hearings.

Agreed,—That a letter received from Mr. Harry MacDonald, Secretary to the Board of Directors of the Canadian Broadcasting Corporation, asking that certain changes be made in the testimony of Mr. G. Young, Assistant Controller of Broadcasting (Station Relations), on Friday, July 10th, be approved and that outstanding answers to questions asked previously by Committee Members be printed as appendices to the Committee's records.

The Committee proceeded to the consideration of a "Draft Report to the House" and at 11.00 a.m. adjourned to meet again at 3.00 p.m. this day.

AFTERNOON SITTING

The Special Committee on Broadcasting reconvened at 3.05 p.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken, Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Brassard (*Lapointe*), Mrs. Casselman, Messrs. Chambers, Dorion, Fisher, Flynn, Forgie, Halpenny, Johnson, Kucherepa, Lambert, Mitchell, Muir (*Lisgar*), McCleave, McIntosh, Paul, Pratt, Smith (*Calgary South*), Smith (*Simcoe North*) and Tremblay. (23).

Following further discussion concerning the "Draft Report to the House" and its amendment, the Report was approved and the Chairman instructed to present it to the House as the Committee's "Second Report" to the House.

At 5.00 p.m. the Committee adjourned.

J. E. O'Connor,
Clerk of the Committee.

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

FRIDAY, July 10, 1959.
9.30 a.m.

The CHAIRMAN: Gentlemen, we have a quorum.

I would like to read into the record a letter received by Mr. O'Connor. This letter is over the signature of Mr. Barry MacDonald and is in answer to some questions which were asked:

On July 7 Mr. Johnson asked for certain information concerning "La Semaine à Radio-Canada".

(a) How many clerical personnel are employed in its production?
One clerk full time, one clerk half-time and one steno quarter-time.

(b) How many editors?

One editor full time, six writers half-time and one listings editor half-time.

(c) What would cost of each issue be?

As of April 30, 1959: printing and engravings: \$1,380 gross; \$918 net.

(d) Was printing contract awarded by tenders?

Tenders were asked again last summer of different printers in Montreal. The following concerns presented submissions: Ernest Therrien & Fils Ltee, La Patrie Ltee, Le Samedi and Southam Printing Company. The submissions of these four printing houses were higher than the one submitted by Desmarais, our printer at that time. We have continued doing business with Desmarais.

This letter is signed by Mr. Barry MacDonald, Secretary of the Board of Directors.

Gentlemen, we are still on Part E, sub item (c) of item 3 (c)—record of performance of commercial organization of past three years; demonstration of sales technique. Are there any questions in connection with (c); if not, we shall move to Item 4 "public relations and information services". I will wait for a moment on (c) until Mr. Fisher checks to see whether or not he has any questions to ask. I am referring to (c) under Item 3, on page 2 of the agenda.

Mr. FISHER: Mr. Chairman, I just wanted to know how this got on the agenda?

The CHAIRMAN: I think it was decided after the steering committee came back and asked the members of the committee if there were any additions. I am sorry; I recall it now. Mr. O'Connor has brought it to my attention that the C.B.C. suggested this possibility as it might be interesting to us. Is that correct?

Mr. JOHNSTON: Mr. Chairman, that is as I recall it and I believe this was something that it intended to cover when the committee went to Toronto.

The CHAIRMAN: Are you satisfied, Mr. Fisher? May we pass on?

Mr. JOHNSON (*Chambly-Rouville*): Mr. Chairman, I have a question.

The CHAIRMAN: Is it on public relations and information services?

Mr. JOHNSON (*Chambly-Rouville*): It is in connection with (c).

The CHAIRMAN: Proceed.

Mr. JOHNSON (*Chambly-Rouville*) (*Interpretation*): Mr. Chairman, in regard to the personnel department in the commercial organization set-up in Montreal, does it occur that the C.B.C. imposes a program on a sponsor instead of allowing the sponsor to choose such and such a program, or instead of allowing him to organize it?

Mr. JOHNSTON: I would say, Mr. Chairman, that we are not always able to provide to the sponsor the specific program that he might like to put on the air at a given time. The time available will be governed by what other sponsors have already purchased, and the type of program we feel can be scheduled at a given time is, of course, related to our over-all plans of programming across the week.

At the present moment, for instance—and I am thinking more particularly of the English network, with which I am more familiar—the western type of program is rather in the ascendant, and it might well be that several advertisers on a given evening, if time were available to them on those evenings, might wish to schedule programs of that type.

In our over-all program structure we strive to achieve a balance of programming during the evening or across the week and in this way it might not be possible for a specific program to be made available to a specific advertiser at the time that was available to him.

Mr. JOHNSON (*Chambly-Rouville*) (*Interpretation*): Well, Mr. Chairman, perhaps Mr. Ouimet can clarify this point. Could it happen, for example in Montreal, on the French language network, that the C.B.C. would impose between two programs of the same type, that it might impose one rather than another on the sponsor; for example, let us take a very interesting program, which is on its way out, called "Point de Mire", as compared with a rather similar category of program called "Pays & Merveilles", which is still on the air after quite some years. The reason I give this example is because I sincerely believe the C.B.C. has a general policy—and you can correct me if I am wrong—which consists of not leaving a program too long on the air, with a view to a variation of programs.

The CHAIRMAN: Are they commercial programs or sustained programs?

Mr. MARCEL OUMET (*Deputy Controller of Broadcasting*): On this specific point, we offer our programs in packages as a whole, that is to say, a complete package made up of various elements of a program. In the case of the two programs you mentioned, it was not a question of imposing one rather than the other. It was a question of the availability of one and the non-availability of the other under the regulations of the C.B.C. Point de Mire, being considered a full-fledged opinion broadcast was not available for sponsorship under the regulations of the C.B.C. The other one, Pays & Merveilles, being considered more of a type of travelogue in which very few opinions are injected, was made available for sponsorship. It was not a question of imposing one rather than the other. They were not of the same type.

Mr. JOHNSON (*Chambly-Rouville*) (*Interpretation*): Mr. Ouimet, may I ask, if a sponsor, through an agency, offers to sponsor a C.B.C. program on condition that the C.B.C. will take such and such a performer, do your commercial representatives in Montreal accept such a proposition from an agency?

Mr. OUMET: May I repeat that our programs are packages. However, like in any sound business we negotiate the sale of programs. It may be that the agency will have a very good suggestion as to the content of the program. The agency may suggest one person rather than another. In this case, insofar as it is possible, we endeavour to reach a compromise. It is not a question of imposing one artist rather than another, or one program rather than another. It is a question of sound business practice and of sound negotiations generally speaking.

The CHAIRMAN: Thank you, Mr. Ouimet. We are getting a little off Item 3(c). This has to do with record of performance of commercial organization of past three years. I would say that has more to do with increases in sales.

Mr. BRASSARD (*Lapointe*): I do not know whether or not my question is in order. I will abide by your ruling. Would the C.B.C. tell the committee whether or not the social credit movement, or party or whatever it is called, could have some free time on the C.B.C. or could buy some time on the C.B.C. In doing so, I assure you I have no intention of trying to gain their favours.

The CHAIRMAN: I realize that.

Mr. LANDRY: This matter is on the agenda of the executive committee of the C.B.C. at their meeting this morning in Ottawa.

The CHAIRMAN: May we go to the next item, public relations and information services.

Mr. FISHER: I have to preface this question. Mr. Bushnell earlier provided me with some information to the effect that when the C.B.C. feels the press has been biased and misinformed, they take corrective measures to seek to put the correct facts forward. I would like to know what the reaction of the C.B.C. is going to be at the present time to alter the newspaper comment, especially editorial comment, which we are getting, and which to me is misinterpreting all these financial statistics.

Mr. LANDRY: I would like to have Mr. Fraser answer this question.

Mr. PICKERSGILL: I have a supplementary question. Has Mr. Fisher read the letter in the *Gazette* this morning containing a correction from the C.B.C. on this very point?

Mr. R. C. FRASER (*Director of Public Relations, Canadian Broadcasting Corporation*): The policy of answering editorials is this. If a newspaper has made an error in fact, we reply to it immediately.

Mr. FISHER: That would keep you pretty busy.

Mr. FRASER: It does indeed, especially since this committee started. If the newspaper is expressing an opinion, we have found from experience that it does not pay to try to answer that because if it is an opinion you can go on with an exchange of correspondence for years. We try to stick to errors in fact. We have done that, as Mr. Pickersgill pointed out, in the case of the *Gazette* yesterday and today.

Mr. FISHER: Have you ever considered being a bit more militant?

Mr. FRASER: Yes. I think we have become more militant, especially in the past year or so.

Mr. FISHER: I observe that these Bay street vigilantes can only be handled with a bit of militancy.

Mr. PICKERSGILL: Could Mr. Fraser give us a brief description of the functions of the information service?

The CHAIRMAN: Do you have a short statement?

Mr. FRASER: Basically, it is a question of providing an information service on the output of our programming services in two languages, the output of

five networks, two French and three English, the output of our operating divisions across the country and the output of our local programming. That would be the basic function dealing with program information and distributing this program information to the press, the public, the staff, advertising agencies and affiliated stations, and so on.

In addition to that, another basic task is to keep our people internally informed of public opinion as expressed through letters, telephone calls, and so on. For example, last year we processed approximately 1,300,000 letters and over 600,000 telephone calls. We also keep our people informed of press opinion about the corporation and about broadcasting generally.

We provide our people with a digest of developments in the broadcasting world generally. In addition to that, we provide certain internal basic services such as library service at the various points, receptionists and that type of thing. I think that would be a summary of our basic functions in a nutshell.

Mr. PICKERSGILL: Does the public relations or information service attempt to influence public opinion about the C.B.C.?

Mr. FRASER: I would think that as a matter of policy, public relations should be mainly based on the product itself; and public relations is only as good as its product.

Mr. BELL (*Saint John-Albert*): In respect of public relations, to what extent is the general public allowed to go through your operations in Toronto and Montreal and see particular programs, and so on? I ask that because of our trip to Toronto where I think the members had a better understanding and at least I hope a better appreciation of the problems and difficulties.

Mr. FRASER: Last year we handled about 60,000 people in groups of varying sizes across the country in our studios. In most instances our facilities for handling the public are extremely poor. As you noticed in Toronto, it is almost impossible to conduct a tour properly. It is better in Montreal because we have the Radio Canada building where we can handle tours.

In many other locations in Montreal and elsewhere it is not practical; such visits would interfere with operations. We would like to have ideally a situation whereby the public could be taken on a conducted tour through a television station and watch a program in progress through plate glass windows and this type of thing. However, we just cannot afford it.

Mr. DORION (*Interpretation*): Mr. Chairman, if I properly understood the witness, he told us when they have to echo public opinion they use especially the opinions expressed in the newspapers.

Mr. FRASER: No, Mr. Dorion I did not intend to convey that impression. Public opinion is conveyed to our people in several ways—letters, telephone calls, which are direct communications with the public, and press opinion, which sometimes reflects public opinion and, perhaps, sometimes differs. Press opinion, obviously, is expressing some public opinion at all times, but not necessarily majority opinion at all.

Mr. DORION (*Interpretation*): Yes, but the only thing is, when you speak of newspaper opinions, is it just the opinion of certain newspapers, or do you take into account all the nuances of opinion, the shades of opinion of all the newspapers in general, including the weeklies?

Mr. FRASER: Yes, Mr. Chairman, we provide a completely factual account to our people of what newspapers of all types have said editorially.

Mr. PICKERSGILL: A supplementary question, Mr. Chairman. Do you read *Montreal Matin* assiduously?

Mr. FRASER: We read every newspaper assiduously, Mr. Pickersgill.

Mr. TREMBLAY: The *Toronto Star* too?

Mr. JOHNSON (*Chambly-Rouville*): When you say "we", do you mean to say, for example, in Montreal is there somebody in charge of reading the papers, to know the different shades of opinion?

Mr. FRASER: We do this in two ways. We have a clipping service which provides us with clippings from all newspapers. These clippings are summarized, and this information is passed on to our people. In addition to this, in order to get reaction more quickly—the clipping services take some time to get the clippings in—our own people read the daily newspapers at all points. These are clipped and sent to one person who summarizes what these editorials have said factually, who then passes it on.

Mr. JOHNSON (*Chambly-Rouville*): When you refer to your own people, do you mean your people in Montreal—somebody in charge there?

Mr. FRASER: I am speaking of the information services strictly.

Mr. JOHNSON (*Chambly-Rouville*): Is there a section for each production centre? Is there a special information service in Montreal?

Mr. FRASER: We have information service offices at Halifax, Montreal, Ottawa, Toronto, Winnipeg and Vancouver. They are basically geographically located offices.

Mr. JOHNSON (*Chambly-Rouville*): Your people at a certain location, if they have to send a letter to a paper, do they send a letter for approval first to the regional director?

Mr. FRASER: Not necessarily, Mr. Johnson. It depends entirely on what the editorial is about. They might do this under some circumstances, but in the main it is not necessary because they are dealing with matters of fact, and if they have those facts themselves they answer the editorial automatically.

Mr. JOHNSON (*Chambly-Rouville*): Do I understand they do not have to have any permission from the regional director if they want to send a letter or protest to a paper?

Mr. FRASER: I think you would have to take each case on its merits, and if it was to do with policy, most certainly, they would have to; but if it was a matter of straight operational facts and figures it would not be necessary.

Mr. JOHNSON (*Chambly-Rouville*): They do not engage in giving opinions?

Mr. FRASER: Absolutely not.

Mr. JOHNSON (*Chambly-Rouville*): Or starting discussions in the papers?

Mr. FRASER: It is not our function to engage in that sort of thing.

Mr. LAMBERT: This news clipping service, and the use made of it, is it merely passed on to people below for their own information, and they may draw their own conclusion; or is interpretation made at certain senior levels, perhaps, and issued in the form of directives?

Mr. FRASER: There are two things, Mr. Lambert. The first is, we pass these summaries of press opinion along to what we call our management group of the corporation's people all across the country; that is, everyone who can be considered on the management level. In addition to that, now, we have started a monthly public relations appraisal. It is a monthly appraisal of the public relations situation in which the corporation finds itself at that time.

Mr. LAMBERT: When did that start?

Mr. FRASER: That has started recently. It has been in plans for some time, but we have only been able to start it just recently. But prior to that time there was discussion on this type of thing on a per occasion basis. It was our job to bring it to the attention of management as things came up.

Mr. TREMBLAY (*Speaking in French—not interpreted*).

The CHAIRMAN: I do not think this will need an answer. Interpretation please.

Mr. TREMBLAY (*Interpretation*): To follow up Mr. Pickersgill's question, in your appreciation of the newspaper opinions, do you take account of pseudo-journals like *La Réforme*, so-called?

The CHAIRMAN: Mr. Dorion?

Mr. DORION (*Interpretation*): Mr. Fraser, I think you have, have you not, every week a press review of the weeklies?

Mr. FRASER: This is a program which is on the air to which you may be referring, and it is not under my jurisdiction; but in English it is called Neighbourly News and it is a summary of the news reported in the weekly press.

Mr. DORION (*Interpretation*): Do you have the same thing on the French network?

Mr. OUIMET: Yes, on the French radio network, I think it is called *La Revue Des Hebdomadaires*. It used to be on on Sunday, but, personally, I do not hear it very often because at that time, generally, I am on my way to church.

Mr. DORION: Mr. Chairman, I would like to compliment the C.B.C. on that program.

The CHAIRMAN: Yes, Mr. Dorion?

Mr. DORION (*Interpretation*): I would like to say at this point that this review program is, in fact, very well done, and I wish to express the hope that it will become more so, and that most of the Quebec weeklies which express local opinions may be consulted as much as possible.

The CHAIRMAN: Yes, Mr. Pickersgill?

Mr. PICKERSGILL: Mr. Chairman, I hope this does not mean that Mr. Dorion does not go to church.

Mr. DORION: Yes, I do, but at a different time.

Mr. JOHNSON (*Chambly-Rouville*): Supplementary to this question, Mr. Chairman, I am very pleased to learn that C.B.C. has become very religious since *La Belle de Céans*.

Mr. FRASER: We are on the side of the angels.

Mr. CHAMBERS: When somebody phones up about a program, is this phone call handled by your department?

Mr. FRASER: Yes. We make a daily summary of telephone calls and of mail. We try to summarize the gist of a telephone call; and this is passed along to our program people.

Mr. CHAMBERS: When some one phones they are directed to your department?

Mr. FRASER: Yes, normally.

Mr. CHAMBERS: Do you maintain a service as long as the station is on the air?

Mr. FRASER: It all depends on the location. In Toronto and Montreal these calls are directed to the information desk after five o'clock at night. Prior to five o'clock they are directed to the audience relations section.

Mr. CHAMBERS: And that desk is open until when?

Mr. FRASER: I think it is open until 11 o'clock.

Mr. CHAMBERS: I remember the most satisfactory telephone conversation I ever had with the C.B.C. was when I telephoned to complain about a late movie, and the only person I could get was the sweeper. He agreed with me completely.

Mr. FRASER: We might get him to join the public relations staff.

The CHAIRMAN: Make him the chief?

Mr. PICKERSGILL: You had better file that offer.

Miss AITKEN: In reference to these one and a half million letters, is the C.B.C. influenced by them, and do you answer them all? I think most people write in to protest.

Mr. FRASER: Oddly enough, this does not appear to us so. I believe of that number about 70,000 require a separate and individual answer per year. The balance come in in some connection with contests, and others just make a straight comment which requires no reply. However, about 70,000 do.

These again are summarized and passed on to the program people who take these, along with surveys, into consideration in trying to assess public opinion.

Miss AITKEN: I personally have added considerably to that one and a half million letters in the last two or three weeks, because when anybody called me to complain about a certain Toronto program, I suggested that they write directly to the C.B.C.

Mr. FRASER: I do not know whether to thank you or not.

Mr. PICKERSGILL: I would like to ask Mr. Fraser if these digests of opinion are passed on in the first place to your own board of directors or executive committee, and if this information is made available to the Board of Broadcast Governors?

Mr. FRASER: The information is not made available to the Board of Broadcast Governors, but it is made available to our directors.

Mr. FISHER: The Board of Broadcast Governors would be within its rights in asking for it?

Mr. FRASER: I am not certain about that. This is a service provided by the corporation and paid for by the corporation. It is provided to its people.

Mr. FISHER: I would like to ask you about a couple of cases where the C.B.C. gave in to popular demand. If requests should pour in, and there is a program and they are irritated with it, and these requests would come in, when does it reach the stage where you feel there is enough of a crisis situation that you would get in touch with the people who have the power to alter the thing, and decide to go ahead.

Mr. FRASER: This is done immediately. We have a standing rule at all our operational points, when there is unusual public reaction,—and this must be left to the judgment of the people—but immediately there is unusual reaction, it is telexed to our main office and it is then brought up immediately either at a meeting, or it is brought to the attention of the president or at a meeting of the senior management committee where it is discussed.

Mr. FISHER: What is your relationship with the Couchiching conference.

Mr. FRASER: There is no relationship with them at all, other than the fact that our staff would publicize Broadcasts in that connection.

Mr. FISHER: Was your staff responsible last summer for the publication in which reading material was set out in relationship to the Couchiching conference?

Mr. FRASER: I would think not. Our work would confine itself, I believe, to pre-publicity of the broadcasts.

Mr. FISHER: You spoke earlier about library services.

Mr. FRASER: These are reference libraries across the country.

The CHAIRMAN: Before there are any further questions may I suggest that your questions be as short as possible and that the answers be as short as possible because we would like to complete this whole agenda this morning.

Mr. JOHNSON (*Chambly-Rouville*) (*Interpretation*): Well, in putting any question, Mr. Fraser, I am taking it for granted that this in fact the information service which deals with the problems involved. What is the practice of the C.B.C.—and I speak especially of the Montreal French language network as regards the distribution of publicity printed in the newspapers, to give publicity to programs? As an example, let us take a very good announcement regarding a very popular program Chez Miville, which I never saw anywhere else than in a daily which has a very limited circulation in Montreal.

The CHAIRMAN: Are these paid advertisements you are asking about, or editorial comments?

Mr. JOHNSON (*Chambly-Rouville*): No, I do not think so.

The CHAIRMAN: They are paid advertisements.

Mr. FRASER: I cannot give you a specific answer on that specific program. But we have carried paid advertisements in the weekly newspapers of Quebec also.

Mr. JOHNSON (*Chambly-Rouville*): Do you ask all the daily newspapers to take these advertisements?

Mr. FRASER: Not necessarily, we may or we may not, depending entirely on the need, the circulation, and that type of thing. We do not do a great deal of paid newspaper advertising because we do not have the money. So that every time we do carry out this type of thing, it is studied quite carefully, and we try to assess the thing we are trying to do, and then use the papers which can do the best job for us. These papers may vary from time to time.

The CHAIRMAN: The same as any other business.

Mr. FRASER: Exactly.

Mr. JOHNSON (*Chambly-Rouville*): When you want to make a promotional campaign for a certain program which is sponsored—that is why I took this example—would you consider it to be better advertising and publicity to give it to a paper with a very large circulation?

Mr. FRASER: We might or we might not. I can only say that it would depend on what we are trying to achieve. You cannot use advertising according to a set formula. I think you have to consider it in the light of what you are trying to achieve with a specific thing, and then to weigh all your possibilities and try to carry them out.

The CHAIRMAN: You will find that your sponsor paid for these advertisements, and not the C.B.C.

Mr. FRASER: Very often that is the case. But we work very closely with the advertising agencies in connection with publicity campaigns to make sure that we do not duplicate one another. Very often advertising is taken care of by the agency.

Mr. JOHNSON (*Chambly-Rouville*): When the sponsor pays for it, is the decision taken by the sponsor or by the C.B.C.?

Mr. FRASER: The decision is taken by the agency not by the C.B.C.

The CHAIRMAN: May we pass on to Sub item (c) of item 4. Public Relations and Information Services?

Mr. CHAMBERS: Are we not through with publications?

The CHAIRMAN: All these questions have been on publications or related to the statement on publications. And if there are no more questions, let us pass on.

Mr. CHAMBERS: Your department is responsible for the C.B.C. Times and La Semaine?

Mr. FRASER: Yes.

Mr. CHAMBERS: I notice that in your revenue in here you have a total of \$40,000 which is primarily from the sale of these publications.

Mr. FRASER: That is right.

Mr. CHAMBERS: Do you have a breakdown of your costs for preparing these publications?

Mr. FRASER: If you mean in addition to the costs given here, then in what sense? There is this document which the committee already has, which is a complete list of the publications together with the cost of each one.

The CHAIRMAN: That has been tabled.

Mr. FRASER: Yes. It provides the number, the purpose, and the intention of the publication, as well as the cost and the revenue. And it provides it for both the English and the French.

Mr. CHAMBERS: I have read testimony by the C.B.C. before other committees such as the Fowler commission and so on to the effect that you basically depend on these two publications as opposed to newspaper advertising to get your programs and so on before the public. Is that correct?

Mr. FRASER: No, I would not say that. These publications were started in the first place to save money. They were first started in about 1947. At that time we were putting out this information in different forms, in about three or four different ways. We had what we call a "tear sheet" for the press, a clip sheet for the press; we had printed program schedules for the sponsors, the advertising agencies, the affiliates—that type of thing—and we had a monthly free publication called Program News, which went to people who were interested in advance program information.

We found that by combining these three things into one publication we could save several thousand dollars a year; and so we did it. It might help, Mr. Chambers, to point out that C.B.C. Times basically provides information to advertising agencies, sponsors, affiliated stations, the press all across the country, including all the columnists, and our staff. Members of parliament and senators receive this too, because we think people who are our bosses should know what we are doing.

Mr. CHAMBERS: If you are starting a new program—let us say it is unsponsored—and you want to get this fact known, do you depend on these publications, or what steps would you take to get this new program known to the public?

Mr. FRASER: If this were a series, we would draw up what we call a project sheet. For instance, in our work there is never a question of what to do; it is always a question of which to do. There is always more to do than you can possibly do, so it is a matter of constantly exercising judgment and seeing what your limitations are as to finance and staff. We would draw up a project book. In that project book—the program information would always be carried, necessarily, in C.B.C. Times—we decide how much air promotion we would give it in our own facilities, whether we would prepare a special press kit, whether we would do our own advertising, and so on.

Mr. CHAMBERS: On that point; you do not do much advertising?

Mr. FRASER: No.

The CHAIRMAN: Do you know your total budget with regard to newspapers?

Mr. FRASER: Yes; this year ending March 31, 1959, \$148,000—which is the highest it has ever been. Normally, up until that time, I think the highest we had gone was roughly around \$50,000.

Mr. FISHER: I have just one question. You have your own printing shop?

Mr. FRASER: No, we have not.

Mr. FISHER: You have not changed your printers since June, 1957?

Mr. FRASER: Not for C.B.C. Times, no. We get tenders on the other publications—at least three on each publication—but you cannot move around a weekly publication like Times as you can a “one-shot” publication. You get tenders and carry on with the same printer for some years, because there are also associated services.

Mr. McGRATH: Is it your responsibility to put out special promotional material for a special program?

Mr. FRASER: Yes.

Mr. McGRATH: What does that consist of?

Mr. FRASER: Again, Mr. McGrath, it would depend entirely on the program—what we were trying to achieve.

Mr. McGRATH: For example, a special production of C.B.C.—Folio, for example—which is going to cost the corporation a lot of money and for which, quite naturally, the corporation would like to draw the widest possible audience?

Mr. FRASER: Yes, we would sit down and look at this. We would talk it over with the program people first. We would see what the aim was, what was trying to be achieved, and we would then draw up a promotional program within our limitations both as to money and as to staff. Samples of this type of thing might be, again, air promotion, special spots, and that type of thing. It might be newspaper advertising, or it might not; it might be magazine advertising, or it might not. It might be special mailings to interested groups—a letter, if you like—or a letter to the secretaries of these groups that we know are interested in this type of program. This would go on to include other items.

Mr. McGRATH: Do you not think it would cut down on your budget considerably if you were to use the newspapers: they could provide the same service and save you the cost of printing and processing?

Mr. FRASER: Are you comparing it now with C.B.C. Times?

Mr. McGRATH: No, not C.B.C. Times.

Mr. FRASER: The newspapers do carry a tremendous amount of information which we supply. As a matter of fact, there has been a tremendous increase since the advent of television of the weekend supplement, concerned mainly with television, I might add, and very little with radio.

Mr. McGRATH: For example, Farm Forum—you could appeal to the rural weeklies in Canada, could you not, to get your message across?

Mr. FRASER: We do that also. This publication is a simple pamphlet. It is put out and used, as I understand it, by the farm people to aid in their organizational work and to get people interested in listening. They, in essence, become press agents for the corporation.

We are working through organizations, and they are very helpful to us in distributing information about programs. We do a lot of that.

Mr. McGRATH: It is my understanding that there are no promotional ads in Canadian dailies to promote, from a commercial point of view—with a commercial appeal—audience in a specific—

Mr. FRASER: Yes, this is done; but it is done on a—

Mr. McGRATH: —small scale?

Mr. FRASER: Small scale campaign basis, and a great deal of it is done—as we mentioned a moment ago—by the advertising agencies themselves in connection with commercial programs. We do not think we should duplicate

that. I think this would be a waste of money—we need that money for other promotion—and we could get that mileage by using that money in other respects.

Mr. CHAMBERS: Do these costs include postage?

Mr. FRASER: This is on C.B.C. Times?

Mr. CHAMBERS: You have a whole list of publication costs here.

Mr. FRASER: I do not think C.B.C. Times includes the postage; but I believe the other publications cover mailing.

The CHAIRMAN: Under the section on French language Adult Education and Public Affairs is, "\$6,150, including mailing and art work". On C.B.C. Times the cost is "\$86,736, annual cost of printing and engraving". They do not say anything about mailing there. On paid subscriptions they recover \$31,332.

Mr. JOHNSON (*Chambly-Rouville*): Still on the same subject: I see here that the cost of *La Semaine à Radio-Canada* is shown as "annual cost of printing and engraving". Do you have figures showing the mailing cost? Do you have figures showing the cost accounting of this publication? I mean, you use personnel for this. Do you not first use clerical personnel, and even newspaper writers to write the articles—free-lance writers?

Mr. FRASER: Yes, occasionally: not too often. We are now in the process in our accounts department of cost accounting C.B.C. Times. Television was first to be cost accounted, and they are finding time to get around to us. C.B.C. Times is now being cost accounted and that is now in process.

Mr. JOHNSON (*Chambly-Rouville*): Do you have a total figure for *La Semaine à Radio-Canada* or C.B.C. Times?

Mr. FRASER: I would not like to guess that at the moment, because it is being done now.

Mr. JOHNSON (*Chambly-Rouville*): We cannot expect any answer before—

Mr. FRASER: Our accounting people are just swamped, as I think you will appreciate.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, we have received a publication of the Canadian adult education institute for June, 1959. Does the C.B.C. pay for a part of these publications? Are they done in cooperation—are they prepared in cooperation with the C.B.C.?

Mr. FRASER: I would have to get specific information on that particular one. Certainly we would have provided the information. Whether we bought advertising space in that particular publication, or not, I cannot tell you at the moment. I could get that information for you, if you wish.

Mr. MARCEL OUMET (*Deputy Controller of Broadcasting, Canadian Broadcasting Corporation*): Mr. Chairman, perhaps I could supplement this answer and just say "no"; this report was prepared by the Canadian institute, under the usual entente which we have with them. We sustain, as you know, indirectly a number of these organizations.

This goes for the cost of their publications. They publish their publications themselves.

Mr. FRASER: This specific one was published by the institute.

The INTERPRETER: For the record, Mr. Chairman, Mr. Tremblay asked:

In the case of what we have here which, of course, is...
and then there was an interruption.

The CHAIRMAN: The next sub item is "value of free time to philanthropic organizations—community and network for most recent year". Are there any questions on this?

Mr. BELL (*Carleton*): Have you any statement from the C.B.C. as to the principles upon which free time is provided on television and radio for the support of community projects? The reason I ask this question is because the general impression among some of the members is that private television stations are inclined to give considerably more time for community projects than the C.B.C.

Mr. FRASER: I think this arose through the fact that the C.B.C. for years has been concentrating on the national and regional scenes, with the private stations concentrating on the community in which they are located. The C.B.C. has done a tremendous amount of work and given its time and facilities to national and regional organizations, which could be called community service, in the very broad sense. There is seldom a week goes by in which the C.B.C. is not engaged in this.

With the advent of television it is more local, if you like, in a sense, than radio was, and we are doing more on a strictly community nature now than we did before. This, plus the fact that in the communities where television stations are located, there are as yet no other television stations. This applies right across the country, and we have accepted this responsibility of providing a community service where we are located. We are doing this to quite an extent. For example, we had a safety award this year for our work in connection with a safety campaign.

Mr. BELL (*Carleton*): Have you any comparison in connection with the amount of time as provided by your local stations and that provided by private local stations?

Mr. FRASER: We can file that. We have asked for those from our supervisor of institutional broadcast in Toronto. However, it does not come under public relations, but program service.

Mr. TAYLOR: The general feeling in my own part of the country is...

Mr. FISHER: You think.

The CHAIRMAN: Gentlemen, let us get the question.

Mr. TAYLOR: Do you operate a Christmas fund in Vancouver? From my experience, the general feeling is that if you people made an appeal you would not compare with some of the other local stations that operate a Christmas fund for orphanages, or some children's fund. Have you operated such a fund in Vancouver?

Mr. FRASER: Well, I do not know about that; there was a Red Feather fund on which we had a campaign.

Mr. TAYLOR: I know you operated that, but have you ever operated a fund in Vancouver where you ask people to send money in to your own station to help a specific project in Vancouver?

Mr. FRASER: I would have to check on that, Mr. Taylor.

Mr. TAYLOR: Well, at the present time, here in Ottawa there is a campaign to help the people of Lanark. Have you ever, here in Ottawa, gone out to help a community by trying to collect money by on-the-spot broadcasts, as CFRA is doing now,—and they are doing a tremendous job?

Mr. FRASER: We had this on television. We had a telethon in connection with the Lanark disaster, and in that connection we raised around \$15,000 or \$16,000.

Mr. TAYLOR: This was the Lanark campaign, was it?

Mr. FRASER: Yes, this was in connection with the Lanark campaign, in regard to the fire which they had. We carried on a telecast one night from

about 11.30 until three or four o'clock in the morning. We raised around \$15,000 or \$16,000. This was straight community broadcasting in its strict sense.

Mr. TAYLOR: Can you tell me whether or not you have any Christmas relief fund in any of your major cities?

Mr. FRASER: We have never engaged in that type of broadcast up to this point.

Mr. TAYLOR: Well, it is the feeling that you run a good service, but do not stoop down to get to the community.

Mr. FRASER: This is not a matter of stooping; it has been a matter of general broadcast responsibility. I think the background will show that broadcasting in Canada has always and still falls into three categories, the national, the regional and the community. Because this is so and because Canada is so large, parliament has decided, if you like, that it needs a broadcasting system having the advantage of both public and private enterprise to do these jobs. The C.B.C. has been doing a national and regional job, and I must say that we have done an excellent job in that connection; but the community job has been done by the private station, and many have done an excellent job in that connection.

Mr. TAYLOR: I agree with you on that, but I wish to ask you this further question. I think that is answering what you are doing; but what I am concerned about is that you have such a small audience in Vancouver as a result of that policy. You carry it to the extreme in Vancouver.

The CHAIRMAN: That is your opinion.

Mr. TAYLOR: It is not an opinion.

Mr. FISHER: I just have the one question. Have you considered doing what the B.B.C. does perhaps once a week in connection with a major drive; that is have a personality come on and make the pitch? For example, if it is the lifeboat fund, the honorary patron of the lifeboat fund, lord so-and-so will come on and add a little touch.

Mr. FRASER: I think, Mr. Chairman and Mr. Fisher, we have done a considerable amount of this. One which comes to my mind is still being carried on, using the personality of "Larry" Henderson just after the television national newscast at eleven o'clock. In this case it is the blood donor appeal. We put on special broadcasts in connection with other drives such as the Easter seal campaign, in which we have a whole parade of stars.

Mr. FISHER: But the B.B.C. institutionalized this thing at a basic time after the national news and it comes on once a week. The people accept this and there is a competition between organizations to put forward a good pitch.

Mr. FRASER: We do not do it in quite that form. Ours is spread over the entire broadcast schedule. Something like this might take place once or five or six times every day throughout the week

Mr. OUMET: We did try this on radio at one point on the French network. To all intents and purposes, as a rule, this type of regular appeal did not get anywhere.

Mr. TAYLOR: In order to carry out community work, a number of British Columbia stations have a studio on wheels to get directly to a community project and get behind it. Has the C.B.C. any such mobile radio studio which can be moved on the spot in British Columbia.

Mr. GILMORE: I think our record in respect of the P.N.E. and all the major celebrations in the history of Vancouver is pretty well known, where the Corporation through CBU, CBUT and through CBR, has placed our complete facilities at the disposal of the civic authorities. I know this because I have been involved in it for many years.

Mr. TAYLOR: Have you a mobile studio which can move to the spot?

Mr. GILMORE: We have eight or ten sets of mobile equipment which can be brought into play on any occasion at any location. We have had the P.N.E. tent which I hope you have visited.

Mr. TAYLOR: I have.

Mr. GILMORE: This sort of thing is done on a per occasion basis. We have not gone to the expense of building a trailer studio. I would like to emphasize that we have not been violent in our competition at the community level in this sort of thing.

Mr. TAYLOR: The type of studio I had in mind is one where the audience gets to know the announcer; they know him personally. I want to know whether or not we have that type of a studio.

The CHAIRMAN: He said no.

Mr. CHAMBERS: Have you a policy, on such programs as Tabloid, of inviting celebrities or campaign heads during the time of a campaign?

Mr. FRASER: This is a definite policy. When a campaign comes up it is discussed and the entire procedure is laid out. Mr. Dunlop, our supervisor of institutional broadcasts, is probably a director of every national organization in Canada, and takes a part in each.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, I would like to ask the C.B.C. how they consider the organized workers groups? Do they look upon them as political parties or philanthropic organizations in the widest sense of the word, or what?

Mr. FRASER: I think the labour organizations, the management groups and so on are part of the public of Canada. I do not think there is any other distinction. We do not treat them like the Red Cross, where you have the Red Cross appeals. We do not make appeals for labour. Is that what you mean?

Mr. TREMBLAY (*Interpretation*): When you have these workers' groups which need to make publicity and the like, how do you treat them? Do you treat them as ordinary organizations which can obtain periods of time on the air or can pay for periods of time?

The CHAIRMAN: Again, I might say I cannot see how this fits into truly philanthropic organizations by any means. Can we stick to (c) philanthropic organizations?

Mr. TREMBLAY (*Interpretation*): Here is the point, Mr. Chairman. This is where we have this question of a group escaping ordinary definitions. They are not political parties; they are not commercial bodies and they really are not philanthropic organizations in the normal meaning of the term. Therefore what is the category under which they have to be considered when being treated for C.B.C. purposes?

The CHAIRMAN: This would be under labour relations, and we have passed that.

Mr. OUMET: We have sustaining programs on the C.B.C., not on television, but on radio, dealing with labour and business, together or separately. On the English network we have the Labour and Business Review, and on the French network La vie économique and La vie ouvrière which reflect the activities of the labour movement or the business world, generally speaking.

The CHAIRMAN: May we leave public relations, gentlemen?

Mr. JOHNSON (*Chambly-Rouville*): Just a moment.

The CHAIRMAN: Yes, Mr. Johnson?

Mr. JOHNSON (In French—not interpreted):

The CHAIRMAN: Mr. Johnson, I do not know how Kurt Meyer gets in on a philanthropic group, but let us have the translation.

Mr. JOHNSON (*Chambly-Rouville*) (Interpretation): Mr. Chairman, when you have a religious group, a national group or an ethnic group which considers itself wronged by a C.B.C. program, does this religious or ethnic group obtain the opportunity to express its opinions and launch protests? I am thinking right now of the famous Kurt Meyer program in which a certain ethnic group felt itself—

The INTERPRETER: At this point the chairman interjected.

The CHAIRMAN: What has that to do with a philanthropic organization?

Mr. JOHNSON (*Chambly-Rouville*): It is a religious organization.

The CHAIRMAN: An ethnic group is a religious organization?

Mr. JOHNSON (*Chambly-Rouville*): In the particular case of the Jewish people in Canada.

Mr. JOHNSON (*Chambly-Rouville*) (Interpretation): Mr. Chairman, there are many relationships, many links, between the religious and ethnic groups which may feel themselves to be persecuted.

The CHAIRMAN: Is this free time you are talking about, Mr. Johnson?

Mr. JOHNSON (*Chambly-Rouville*): Yes, since we cannot put the religious group in its category, I thought, under the general meaning—

The CHAIRMAN: That is out of order here.

Mr. Ouimet, do you have a short answer on that? Then, let us leave it, please.

Mr. OUMET: When representations of an ethnic or religious group are such that, according to the judgment, let us say, of the management authorities, these groups would have been hurt in their particular beliefs, we have a rule to the effect that, definitely, they would have a right to answer. This is essential in any democratic society.

Mr. JOHNSON (*Chambly-Rouville*): I know, but being a minority, the Jewish people might have thought this was done on purpose.

The CHAIRMAN: I believe that was all covered at one time before, Mr. Johnson. Any other questions?

Mr. TAYLOR: At the local level it is my understanding the C.B.C. does not wish to compete with private stations in assisting philanthropic organizations.

Mr. FRASER: No, that is not my understanding. That is in the statement—at least, if we left you with that impression we are sorry, because we did not intend that.

What I said was, doing the national job and the regional job with two organizations leaves us with far less time on the local scene than the local stations have.

A good example might be this, if you are dealing with the Red Cross—for example, the C.B.C. would take on the job of doing the national and regional network promotion of the Red Cross campaign, and they would do it thoroughly. A local chapter of the Red Cross in Vancouver might very well work with the local station and get pretty good coverage from the local station as well as from us. We do some local, yes; but we cannot do as much as local community stations because we have not the time and we are using it to do the national and regional coverage. That is what I tried to convey.

Mr. TAYLOR: Yes, I think you did.

The CHAIRMAN: May we go on to Part "F", gentlemen?

Agreed.

The CHAIRMAN: Mr. Richardson? I think we covered engineering very well when Mr. Richardson was with us before, but are there any particular questions on the function of the engineering division?

Mr. BELL (*Carleton*): The statements in each item of the agenda have been filed, and they are being printed in the appendix?

The CHAIRMAN: That is right, they have been.

Any questions on Item 1? If not, we will pass on to 2—comparison by location of (a) number of staff, and (b) annual costs for last three fiscal years.

That has been filed. Any questions? We will then go on to Item 3—construction undertaken during the last five years. Are there any questions? Material on this has been filed also, gentlemen. Do you have a question on that, Mr. McGrath?

Mr. McGRATH: I have a question on that, Mr. Richardson.

The CHAIRMAN: Yes, Mr. McGrath?

Mr. McGRATH: I asked this question earlier in the hearings.

I will read from the transcript of the board of broadcast governors hearings of March 16:

Dr. STEWART: What about the cost of installation?

Mr. RICHARDSON: Kenora, \$95,000 capital.

Dr. STEWART: Is that cost accounting or straight capital?

Mr. RICHARDSON: Straight capital. Moncton, \$173,800; Trail, \$90,000; St. Boniface, \$138,000.

Earlier in the transcript Mr. Bushnell replied, at the same hearing, that the cost of installation of C.B.C. Corner Brook was on a cost accounting basis, and it was not straight capital.

When do you differentiate?

Mr. W. G. RICHARDSON (*Director of Engineering, Canadian Broadcasting Corporation*): In this particular case, Mr. Chairman and Mr. McGrath, the question which we have to answer on the form which is submitted with the application was interpreted to mean the actual cost of the equipment. That is, the dollars that go out to the suppliers of the equipment; whereas, as far as our bookkeeping is concerned, internally, the thing is cost accounted, taking into account engineering time, installation time, and all that sort of thing.

Mr. McGRATH: What was behind this line of questioning was the fact that a private applicant could put in operation at Corner Brook a television station at less cost than the C.B.C. operation.

Is there any attempt—for example, there are in the industry today low power package transmitter facilities, is that correct?

Mr. RICHARDSON: Yes.

Mr. McGRATH: You do not use those?

Mr. RICHARDSON: Yes, sir.

Mr. McGRATH: You do not?

Mr. RICHARDSON: Yes, sir we do.

Mr. McGRATH: For example, how much will it cost to put the television station on the air at Corner Brook?

Mr. RICHARDSON: I could not give that to you offhand but at Corner Brook I can tell you that we did get into—I should not say difficulties—but a problem. The property that we had in Corner Brook for our radio station, we

had planned to put our television station on that property. But the community authorities stated that they did not want this station there. So we had to go and find a different property. And in doing this we decided to move the radio and the television to the same site for ease of operation, management, and all the rest of the problems.

The CHAIRMAN: Are there any further questions?

Mr. McGRATH: I wonder if later on—we are going to try to get through today—if you could file with the secretary of the committee the cost of the Corner Brook installation?

Mr. RICHARDSON: Yes.

The CHAIRMAN: Yes, that could be done.

Mr. RICHARDSON: With details to explain the cost.

Mr. McGRATH: Yes.

Mr. TAYLOR: I asked a question earlier and you said to leave it until number 2(f). First, dealing with Toronto, you have 2,300 employees and 22 buildings. What savings do you think you could make if you put all your buildings under one roof, let us say, at North Toronto? What would the actual savings be?

Mr. GILMORE: Mr. Chairman and Mr. Taylor: we have made a pretty rough estimate for the Fowler commission on forecasting and development. This was confirmed within the last few months, and according to our five year forecast we estimate approximately \$500,000 a year savings. As to the efficiency we have not found the way to cost that particular type of saving.

The CHAIRMAN: I think that would come under 5, new construction.

Mr. TAYLOR: I was trying to pin point it under one or the other.

The CHAIRMAN: All right, let us have it then.

Mr. TAYLOR: If there is to be a saving of that amount by going to North Toronto, then, why within the last year did the C.B.C. buy on Georgia Street in downtown Vancouver, when you might have chosen property outside the city?

Mr. GILMORE: The saving does not apply to the location of a plant. The saving applies to the consolidation in the plant at any one position in a given city.

Mr. TAYLOR: Georgia Street property is the most expensive property in all Vancouver. That is where you are going to locate. Would it not be better to have your scenery, your props, your staff, your trucks, and your mobile on-site equipment outside the city? Why do you build on Georgia Street in Vancouver?

Mr. GILMORE: Our television location—let me give you just a couple of extra comments—we have our radio and our administration set-up in Vancouver in the Vancouver Hotel. This has been there since the start of radio in Vancouver network-wise.

In the case of television we decided to buy some property near our radio set-up, in order not to have too great a dispersal. This property appeared to have considerable appeal both for the purpose of consolidation and from being in the city centre. So it was decided at the time by the C.B.C. management, the board of Governors that in similar locations—and this does not include Montreal and Toronto, because the pattern of moves with each location has its own specific problems, such as the problem of artists availability and that sort of thing—but in Vancouver and Winnipeg we tried to acquire one in the centre of the city and to develop there.

I might say that this is a pretty happy situation for the city fathers. They would like to have the corporation, where possible, in the centre of activities,

and they probably would like to have us in some of their consolidated plans for civic centres. This particular piece of land was available, and we have bought adjacent property for a long term plan to develop radio and television facilities at that point.

The CHAIRMAN: Would you do it over again if you had to do it?

Mr. GILMORE: In connection with Vancouver you are asking me a terribly biased question, because I am a Vancouverite, and I would have to say yes.

The CHAIRMAN: Very well.

Mr. PRATT: My question has been more or less answered by Mr. Gilmore, but it is this: is it not better to put such a center on the outskirts of a town not too remote from the centre? You have personnel problems, but is it not, generally speaking, cheaper for the personnel to find their way to a plant on the out-skirts than to bring lumber—which used to cost \$100.00 a load to bring into downtown New York because of traffic congestion—

Mr. GILMORE: Mr. Chairman, the American networks have done that. I think Mr. Pratt is referring to the principle of consolidation in town versus out of town. Some of the American networks have gone out of town and some have built vertically in town, and there are pros and cons for both. The most important pro for an in-town site is the availability of artists and the centering of artistic activity in the centre of a theatre section. You have to balance that against out-of-town transportation of artists, availability of people, and these points you raise. It is a very complex problem, which must be studied at each location by itself.

Mr. PRATT: I understand there are complications because of the civic aspect. Of course, here we are discussing your internal economy.

Mr. TAYLOR: On a supplementary point that was raised by Mr. Gilmore: Mr. Gilmore said the city fathers wanted it down town—and this was the subject of an editorial. Did the C.B.C. ever consult with the city officials on where that building should be located?

Mr. RICHARDSON: The answer is "yes".

Mr. TAYLOR: In other words, did the city ask you to build there?

Mr. RICHARDSON: They did not specifically ask us to build there; but there were discussions on various places in the city and, as far as I know, there were no objections.

Mr. TAYLOR: Did the city not ask you to build along with their city auditorium in a kind of studio site within the city?

Mr. GILMORE: They did do that. They sent a very excellent delegation to meet with our president about two or three years ago, I think it was. We canvassed the project very thoroughly and had our chief architect visit Vancouver and discuss this with the city architects. It was found—and this figure is the one I have in my mind, and I think Mr. Richardson will substantiate it—that the saving in building where we are now was approximately \$1 million, based on being located in the city centre. For that reason we decided to go ahead.

Mr. PRATT: Mr. Chairman, I have a supplementary question. In the city of Montreal there has been some discussion in connection with development in the area of Dorchester, Bleury and St. Catherines Streets. Have there been any further developments in that respect with C.B.C.?

Mr. GILMORE: We are in the position of waiting for various proposals in various areas of the city of Montreal. That is one of them.

Mr. JOHNSON (*Chambly-Rouville*): We are still on "3"?

The CHAIRMAN: We are still on item "3", and yours is the final question on "3", I understand.

Mr. JOHNSON (*Chambly-Rouville*): With regard to television extensions, Radio-Canada building, Montreal, I see extras on the final cost for \$82,342. Were the original estimates made by the staff, or independent engineers?

Mr. RICHARDSON: By the staff.

Mr. JOHNSON (*Chambly-Rouville*): What was the general scope of these extras—or if you have a breakdown, it will be satisfactory?

Mr. RICHARDSON: I have not a detailed breakdown; I have some notes. There were some minor structural changes, due to job conditions as we went along, and we changed some of the mechanical work—that is, the plumbing and heating and things of that nature—as we went along.

There were some electrical changes to meet requirements of the city by-laws. There was an increase in wage rates during construction. In the construction there was an escalator clause, because we specify the minimum wages as put out by the Department of Labour.

We had to change some of the steel in the structure to meet city requirements. Then we left out of our original estimate the completion details for our control rooms, because at the time the building was designed and constructed we did not have the tenders in for the particular control equipment, so we could not finish that aspect of the building until we knew what equipment was going in, because different manufacturers' equipment requires ducts and things like that in different locations in the floor, walls, and so on.

Mr. JOHNSON (*Chambly-Rouville*): You referred to city requirements. Were not these requirements checked originally when the estimates were done?

Mr. RICHARDSON: That is right. We thought we had complied, but city inspectors came along at various times and we discussed these problems with them. Maybe it was not a mandatory requirement, but they thought that for better efficiency we should do it this way rather than that way.

Mr. JOHNSON (*Chambly-Rouville*): Were these requirements checked by personnel from Montreal, or from outside—originally?

Mr. RICHARDSON: Some were. The structural steel, for example—we do not design our own structural steel; it is done by outside consulting engineers.

Mr. JOHNSON (*Chambly-Rouville*): Were they Montreal engineers?

Mr. RICHARDSON: In this particular case, yes.

Mr. JOHNSON (*Chambly-Rouville*): Were the extras billed by the contractors, or sub-contractors, and accepted by C.B.C.?

Mr. RICHARDSON: We do not deal with subcontractors directly; we deal with the general contractor.

The CHAIRMAN: Gentlemen, may we reconvene right after orders of the day, please.

The CHAIRMAN: Gentlemen, we have a quorum. Inasmuch as Mr. Taylor is leaving for Vancouver in ten minutes, and I know we are all sorry about that, he has one or two questions to ask, and we will give him a special dispensation.

Mr. TAYLOR: Mr. Chairman, I just wanted to comment on an editorial and ask one question on that very important matter.

It is in reference to the fact that the C.B.C. have not as yet built a new building on Georgia street. It says:

C.B.C.'s new permanent centre would still be welcome alongside the new city auditorium where a civic theatre was planned. Planners' hopes for the theatre are now very low. Unless C.B.C. fills in the site, the pattern formed by the new post office and the auditorium will be off balance.

The federal cabinet minister and M.P.'s from Vancouver should demand an inquiry into C.B.C. plans here before it is too late for C.B.C. to cooperate with city planning.

My question is this, Mr. Chairman: before they do proceed to build on that site, would they reconsider and deal with the city planning?

Mr. RICHARDSON: I see no objection, Mr. Taylor, to having further discussions with the city, if it is desirable, so we can look at all the cost factors of various sites.

Mr. TAYLOR: Perhaps it might be tied in somewhat with our centennial plans, or something like that.

It is my understanding when studios are being planned in the United States, in Great Britain and elsewhere, that they build outside the city and they build horizontally instead of vertically. They do this because they are carrying props, equipment, film and cameras. Now it would appear that if you build in downtown Vancouver you would build vertically instead of on a studio set-up.

Mr. RICHARDSON: No, we would build the television studios particularly, because they are the ones that have to have high ceilings, on a horizontal basis.

Mr. TAYLOR: I think Mr. Pratt may have a question on this point.

Mr. PRATT: Mr. Chairman, I asked a question earlier which Mr. Gilmore answered. I understand the feeling to be that where possible the horizontal factors will be used rather than the vertical.

Mr. RICHARDSON: Right.

The CHAIRMAN: Bon voyage, Mr. Taylor. Gentlemen, are there any further questions in connection with this?

Mr. JOHNSON (*Chambly-Rouville*): Mr. Chairman, could we carry on from where we adjourned?

The CHAIRMAN: Proceed.

Mr. JOHNSON (*Chambly-Rouville*): I was asking about extras in connection with the T.V. extensions on the Radio Canada building in Montreal. I would like to ask Mr. Richardson if the extras were agreed to by C.B.C. before the works were performed, or were they only built by the contractors after the job was done?

Mr. RICHARDSON: They were all accepted by the corporation before the contractor made any change in the construction; in other words, we use a system whereby if a change is required it has to be accepted by both the contractor and the C.B.C., whichever one originates it.

Mr. JOHNSON (*Chambly-Rouville*): I do not see here the breakdown of the price of the land for this building. Was part of the land on which the building was built purchased for the construction?

The CHAIRMAN: Do you have that information Mr. Richardson?

Mr. RICHARDSON: I think it was purchased at the same time as the Radio Canada building. This was built on the site where the annex, the offices of the hotel were, and that had been purchased at the time.

Mr. JOHNSON (*Chambly-Rouville*): It was already purchased?

Mr. RICHARDSON: Yes. It was part of the hotel site, as I recall it.

Mr. JOHNSON (*Chambly-Rouville*): The land where the extension was built recently was also part of the site.

Mr. RICHARDSON: Yes, part of it, but not all was part of the hotel property, and we used the old houses a year or two as offices.

Mr. JOHNSON (*Chambly-Rouville*): Now, is the C.B.C. giving consideration to buying the adjoining land, which is now occupied by a restaurant, for their extension? I believe the restaurant is the Desjardins sea food restaurant.

Mr. RICHARDSON: We have not considered it very seriously. It has been mentioned, but we have not considered it very seriously.

Mr. JOHNSON (*Chambly-Rouville*): Was there any discussion with the owners of the Desjardins sea food restaurant?

Mr. RICHARDSON: Not by me. I do not know whether or not any of our management people had actual discussions in connection with it.

Mr. PRATT: Mr. Chairman, I have a supplementary question. Aside from the present site of C.B.C. on Dorchester and the site under discussion further down on Dorchester at Bleury, are there any other sites at present under discussion for the proposed erection of a television centre?

Mr. RICHARDSON: There are many sites that have been brought to our attention. Some have been brought to our attention by real estate people, some by the city, and these are all under consideration.

Mr. PRATT: Have you any idea, roughly speaking, when any decision might be taken by the C.B.C.?

Mr. RICHARDSON: No, I have not.

Mr. JOHNSON (*Chambly-Rouville*): Coming back to the Radio Canada building, were public tenders called for the construction of this building?

Mr. RICHARDSON: It has not been our practice to call for public tenders, if you mean by "public tenders", advertising in the press?

Mr. JOHNSON (*Chambly-Rouville*): Do I understand that there were tenders called?

Mr. RICHARDSON: We always call tenders for any construction.

Mr. JOHNSON (*Chambly-Rouville*): Was the number limited of those who were asked to tender?

Mr. RICHARDSON: No, we usually start off—and this is actually covered by a different item—by having a list, and we endeavour to use local contractors wherever possible, that is, contractors in the community in which we propose to build. We invite a number, and this number varies; it may be six, three, or may be ten. Then, anyone else who wants to tender on it, applies for the drawings, specifications, and so on. If he appears to be a reliable contractor who is capable of carrying out the work, we never have any objections to that.

Mr. JOHNSON (*Chambly-Rouville*): Before 1957 did you have any protest from ministers of the crown or members of parliament against the way in which contracts were awarded, that is, without asking for public tenders by advertising in the papers?

Mr. RICHARDSON: I do not recall any such objections.

Mr. JOHNSON (*Chambly-Rouville*): Do you receive any recommendations for contractors to be asked to bid?

Mr. RICHARDSON: I do not recall any. Usually what happens is that a contractor comes to see us, and usually they come to see our chief architect in Montreal, who is our contact for construction. Building people, supplies of electronic equipment, come and talk to our engineers and ask that they be included in this business.

Mr. JOHNSON (*Chambly-Rouville*): Now, would the chief architect or the chief engineer have to submit his decision to higher bracket officials, as to the number and limitation of contracts?

Mr. RICHARDSON: Yes, they always send a list to me of the people they propose to invite to tender on any specific job.

Mr. JOHNSON (*Chambly-Rouville*): There is a list sent to you directly or to some regional official?

Mr. RICHARDSON: No, it is sent to me.

Mr. JOHNSON (*Chambly-Rouville*): It is sent to you directly by the chief engineer or architect?

Mr. RICHARDSON: Yes. Practically all large construction is carried out by the engineering headquarters staff, and not regional.

The CHAIRMAN: Gentlemen, Item No. 4 is next—costs of microwave and conditions of rental contracts. Are there any questions?

Mr. FRASER: Could I have a copy of the contract you have with the Bell Telephone, at least for that link with the west? Have you filed it?

Mr. RICHARDSON: No, I have not filed it.

The CHAIRMAN: I imagine, Mr. Fisher, you would have to get permission from the Bell Telephone.

Mr. FISHER: Is that true?

Mr. RICHARDSON: I do not know what the legal status is on this. These contracts are signed by a private company and the C.B.C.

The CHAIRMAN: Perhaps we could get the costs.

Mr. McGRATH: You would have to get in touch with the Bell Telephone.

Mr. RICHARDSON: I do not know.

Mr. FISHER: Could I explain why I want it, Mr. Chairman?

The CHAIRMAN: Proceed.

Mr. FISHER: On several occasions in our particular area there have been announcements or stories floated in the press that Bell Telephone is investigating the use of microwave facilities to fit in with the C.B.C.'s interest in establishing satellite stations. As a matter of fact, there was one public announcement by a certain politician and I wanted to look at the terms in the contract to see how this type of thing was covered and what the relationship was.

Mr. RICHARDSON: The contract would not give you that information. The contract just sets out the terms and conditions for service to these points which are listed in the contract, and then there is provision made for dicker-ing between the C.B.C. and the other party to our contract, for any extensions.

Mr. FISHER: Is it possible the Bell Telephone Company could release or be a party to a release of information that is not available to public representatives through the C.B.C.?

Mr. RICHARDSON: Well, I would expect so.

Mr. FISHER: Well, is not this rather a unilateral situation?

Mr. RICHARDSON: Well, I do not know whether or not the telephone company has ever publicly released any of the details of the prices which they have quoted to us. I have never seen any such public release.

Mr. FISHER: This is a minor point, but as far as I am concerned, it is an inequitable area. If the Bell Telephone Company's regional manager is going to release information of possible developments and at the same time we meet a stone wall from the C.B.C., then I think we have an objectionable situation.

Mr. RICHARDSON: I do not want to put up any stone walls.

Mr. FISHER: You have presented to this committee, have you not, that you are going to have some 20 LPRT's and 9 possible television extensions. I am quite willing to go along with that, but if other people such as the

Bell Telephone Company, with whom you are in relationship perhaps in the planning of these things, are going to have the power to release the information, then it is a different thing.

Mr. RICHARDSON: I might say that we have not yet asked for quotations from any of the network suppliers for prices on any of these extensions to any of the places. I cannot do that until our board of directors say it is O.K. to go ahead with this one, this one, and this.

Mr. FISHER: Does the Bell Telephone Company have any idea as to where you put those stations?

Mr. RICHARDSON: No.

Mr. FISHER: Is it pure speculation?

Mr. RICHARDSON: Yes, and rumour on their part.

Mr. McGRATH: What is the value of the contract with the Bell Telephone Company?

Mr. RICHARDSON: Which one?

Mr. McGRATH: The total. I presume there are two.

The CHAIRMAN: Do you have the copy of material tabled for item F.4 there?

Mr. McGRATH: It is awfully difficult to find.

Mr. RICHARDSON: There are three contracts with the Bell Telephone Company.

The CHAIRMAN: Four.

Mr. RICHARDSON: I am sorry; there are four. Could I have a moment to do a little manipulation with figures?

The CHAIRMAN: I do not think that is quite what he means.

Mr. FISHER: It sounds like Fleming on bonds.

Mr. BELL (*Carleton*): Let us keep it politically clean.

Mr. RICHARDSON: \$2,750,954, unless my arithmetic is wrong. That includes all existing plus some extensions which have been authorized.

Mr. McGRATH: That is just the Bell Telephone Company. It does not include the C.N.R. or the C.P.R.?

Mr. RICHARDSON: That is right.

Mr. McGRATH: When the Bell Telephone Company decided they were going to build the microwave network did they know exactly the amount they were going to receive from the C.B.C. before they undertook the construction?

Mr. RICHARDSON: Not to that extent. When we wrote the tender specifications, in which we laid down all the technical requirements, we also listed those places where television stations existed at that time and also listed the cities and towns where it was apparent other television stations would come into being some time in the future. All these places were included in the basic contract.

In addition to that, there have been stations established in places where we did not foresee them. These were asked for by tender on the same basic principles, but for the particular extension.

Mr. McGRATH: You mentioned tender specifications. Do you mean that the C.B.C. calls for tenders?

Mr. RICHARDSON: Yes.

Mr. McGRATH: From whom?

Mr. RICHARDSON: From the Bell Telephone Company and from the railways, jointly. The C.N.R. and the C.P.R. always work as one unit on tenders for network services.

Mr. McGRATH: And the Bell Telephone Company had the low tender?

Mr. RICHARDSON: That is right. Even on the extensions we have asked both parties to tender. Quite often, if it happened to be out in the prairies where the telephone companies have the network in existence, the railways come back and say they do not want to tender on this. That has happened on several occasions.

Mr. McGRATH: Was there ever any intention on the part of the corporation to undertake this construction itself?

Mr. RICHARDSON: No.

Mr. McGRATH: Why?

Mr. RICHARDSON: Primarily we are charged with broadcasting. We felt we should use the facilities of common carriers wherever it is possible to use them. It would be extremely costly for the corporation to set up a microwave network which is strictly for network use. On non-network hours these facilities are used for other traffic by these people. Actually, I believe it would cost a great deal more for us to build and operate these ourselves than by going to the common carriers. We would have no other use for these facilities, whereas they would make other use of them in many instances.

Mr. McGRATH: Would the cost of these facilities to the Bell Telephone Company be prohibitive without the C.B.C. contract?

Mr. RICHARDSON: I am afraid you would have to ask the Bell Telephone Company. I do not know what other business they have.

Mr. McGRATH: How do you, yourself, feel about the cost of the Bell Telephone Company portion of the microwave network?

Mr. RICHARDSON: I think we get a good deal, and are getting good value. I base the statement on the fact that in the United States of America they have the American Telephone and Telegraph Company tariff for this sort of thing. We have copies of the American Telephone and Telegraph Company tariff and by and large our prices from the railways and the Bell Telephone Company are lower than theirs.

Mr. McGRATH: In places where the Bell Telephone Company does not operate and the C.N.R. provides the microwave facilities, how does the cost compare?

Mr. RICHARDSON: We take the lower of the two tenders.

Mr. McGRATH: For example, there was only one tender, I believe, to push the network from Sydney to St. John's.

Mr. RICHARDSON: No; there were two.

Mr. McGRATH: Who were they?

Mr. RICHARDSON: The Bell Telephone Company and the Canadian National Railways. The C.P.R. did not enter into that field.

The CHAIRMAN: May we go on to Item 5, new construction planned.

Mr. BELL (*Carleton*): What is the time-table in connection with the construction of the national headquarters building in Ottawa.

Mr. RICHARDSON: There is no time-table.

Mr. BELL (*Carleton*): Is there any forecast at all?

Mr. RICHARDSON: Not at this stage.

Mr. BELL (*Carleton*): What would you anticipate would be the total cost of the building which is to be built? I am only asking for a rough estimate.

Mr. RICHARDSON: Somewhere between \$2½ million and \$3 million, but that is a pure guess at this time without making any further study of the problems involved.

Mr. McGRATH: When the C.B.C. started the television network, what effort was made to house the operations of radio and television under one roof at the main production centres such as Toronto and Montreal.

Mr. RICHARDSON: In Toronto and Montreal the effort was made in this respect, that we built our first television studios on premises which existed. However, as a need developed for additional studios as well as for auxiliary services, such as shops and so on, we had to move out into other premises. There was just not enough space available.

Mr. McGRATH: At that time why did you not move outside the city of Toronto and outside of the city of Montreal and build one large facility capable of housing the whole operation which, on the surface, would appear to be much more economical.

The CHAIRMAN: No. 5 is new construction.

Mr. McGRATH: Precisely. This refers to new construction, Mr. Chairman.

The CHAIRMAN: How?

Mr. McGRATH: In respect of building new facilities at those main production centres in Toronto and Montreal. I was going to ask a supplementary question.

Mr. RICHARDSON: I think the last part of the answer is that when we started in Montreal and in Toronto, the instructions which I received in engineering were that these were experimental. They were not experimental by the time they were built. But we did have space on our existing property of the radio establishments to build these first studios.

Mr. McGRATH: In your opinion, Mr. Richardson, it would be much more economical, much more practical to have the entire operation in both studios under one roof?

Mr. RICHARDSON: Certainly from the construction standpoint it would ease our problem greatly in engineering, and perhaps Mr. Gilmore could say—but I think I could answer for Mr. Gilmore and say it makes for more efficient operation.

Mr. McGRATH: It would save the corporation money?

Mr. RICHARDSON: Yes, I am sure it would.

Mr. McGRATH: Do you have any plans at present, in this regard, with respect to new facilities at Toronto and Montreal?

Mr. RICHARDSON: Yes, we have plans. We are formulating a study now, which will form part and parcel of the five-year plan we will be submitting.

Mr. PRATT: I would like to ask Mr. Richardson: does he not, in his opinion, think it is bad, from the point of view of engineering or architectural planning, to take over a building such as the Ford hotel on Dorchester Street, which was designed for hotel purposes and which has small bays, for the purpose of television broadcasting, which requires a much larger basis?

The CHAIRMAN: We are getting away from new construction planned.

Mr. PRATT: This is a supplementary question to the question you allowed Mr. McGrath to ask.

Mr. RICHARDSON: The Radio Canada building was bought in the days of radio. We had not, at that time, envisaged television studios at that point because we were not thinking very seriously of television then.

Mr. PRATT: You were not considering television when that building was bought?

Mr. RICHARDSON: It was purchased in 1947. I would not say we were not considering television, because we had been thinking of television since 1935 or 1936, onwards; but we had no concrete plans in effect. We did not know when television was going to break.

Mr. KUCHEREPA: I would like to ask one question of Mr. Richardson. What is the present plan, the existing time-table of your plans for the new construction in Toronto, specifically?

Mr. RICHARDSON: We have no time-table at the present time; and this is one of the things under consideration which will form part of the five-year forecast we are obliged to submit under the Broadcasting Act.

The CHAIRMAN: Getting on to item 6—policy re calling public tenders—Mr. Johnson had asked quite a number of questions on it. Have you some more questions, Mr. Johnson?

Mr. JOHNSON (*Chambly-Rouville*): I will not be very long.

I read on the statement that: "formal tenders are not invited by advertising in the public press for any work."

Are there any special reasons why that is not being done?

Mr. RICHARDSON: We have to go back into the history of the corporation to answer this.

When the corporation was set up, since we were a crown corporation, I think it was decided by the then board of governors and management, we should try, in every way possible, to conduct our business in the same way as private business, taking due account of our responsibility to parliament, and so on.

Mr. JOHNSON (*Chambly-Rouville*): This is the main reason?

Mr. RICHARDSON: There is one other point I think I should make here, that under the 1936 legislation any contract for \$10,000 or over—or maybe it was for over \$10,000, and only a dollar's difference one way or the other—had to go for order in council approval before the contract was let. So in submitting a particular contract for council approval we submitted all the tenders. This figure was later raised to \$25,000; and, I think, later still, to \$100,000.

Mr. JOHNSON (*Chambly-Rouville*): When was it raised the first time?

Mr. RICHARDSON: The first time was in 1951.

Mr. JOHNSON (*Chambly-Rouville*): That was before the TV station was built?

Mr. RICHARDSON: It was just when we were starting to get rolling in television.

Mr. JOHNSON (*Chambly-Rouville*): Right before the television system was organized?

Mr. RICHARDSON: Before the system was started, but we were planning at that time for various projects.

Mr. JOHNSON (*Chambly-Rouville*): You say here: "sealed tenders are invited from those who are considered qualified to perform the work."

Who is in charge of determining the qualification of the contractors, if they have the necessary qualifications?

Mr. RICHARDSON: This depends on what we are building. If it is for the purchase and installation of technical equipment we have to look at the suppliers of technical equipment. If it is a building we wish to try with a new contractor that we do not know, we go around and see some of the work that he has done, and we might even talk to some of the people who had work done by him. We can also check on his financial responsibility.

The CHAIRMAN: The same as in private enterprise?

Mr. RICHARDSON: Yes, the same as in private enterprise.

Mr. CHAMBERS: Do you not think, Mr. Richardson, in view of the very large amount of money you probably will be spending in capital in building, at any rate, in the construction of new buildings, you might consider public tenders in future, because there is great competition in the industry now?

Mr. RICHARDSON: They have been considered from time to time. We have talked about it, but with the time factors involved—and I do not want this to be thought of as a complaint—but by the time the engineering division gets authorization to build something the people who want it built say they wanted it last week, so we are always under a great deal of pressure.

Mr. CHAMBERS: You do consult more than one contractor?

Mr. RICHARDSON: On some jobs between 8 and 20 bid, and rarely do we drop below 6 or 8.

Mr. CHAMBERS: Is there a difference in time?

Mr. RICHARDSON: You have to advertise for a certain period. I do not know whether there is a legal requirement there or not, Mr. Chambers.

Mr. CHAMBERS: Another question. There was a project in Montreal to build an audience participation studio, which was then to be rented by the C.B.C. Does this come under your department?

Mr. RICHARDSON: The construction part would come under my department; and we would be consulted, supposing someone came over and said, "We want to rent a certain hall for a certain purpose". We would look at it from an architectural and engineering standpoint.

Mr. CHAMBERS: I am talking about the specific one mentioned by the minister here the other day. There was a proposal that someone in Montreal would build a facility, and I think that approval was asked for the moneys to do it.

Mr. RICHARDSON: I was trying to explain where engineering fitted into that picture. We would take a look at the existing building, or at the building proposed, and assess it from the C.B.C. engineering standpoint—are the floors going to be strong enough to carry the load; is heating going to be adequate, and ventilation and lighting, and all that sort of thing. We would be asked to pass an opinion on the building.

Mr. CHAMBERS: How many people were approached for this project?

Mr. RICHARDSON: Oh, in the corporation—

Mr. CHAMBERS: No, you were asking outside contractors.

Mr. RICHARDSON: Yes.

Mr. CHAMBERS: There is a phrase for it—"lease", something?

Mr. RICHARDSON: "Lease back space".

Mr. CHAMBERS: Yes, "lease back space".

Mr. RICHARDSON: Four, I think.

Mr. CHAMBERS: Four people?

Mr. RICHARDSON: Yes.

Mr. GILMORE: Mr. Chairman, four people's propositions were entertained on this particular project.

Mr. FISHER: Referring to your remark that under time pressure it would be a good practice not to call public tenders by advertising in the papers—do you consider that a sound general practice, this way of carrying on with limited tenders?

Mr. RICHARDSON: I think so.

The CHAIRMAN: May we go on to 7—architectural staff maintained, (a) number, (b) duties, and (c) costs. Any questions?

Mr. McGRATH: Is there a sheet filed?

Mr. RICHARDSON: Yes, No. F-7.

The CHAIRMAN: There is a sheet filed, F-7. It shows ten architects, three engineers, three architectural draftsmen, eleven electrical draftsmen, four mechanical draftsmen, two construction supervisors, and eight clerical—41 altogether.

Mr. McGRATH: It shows total staff in the architectural department of 41, and a total vote for the year ending March 31, 1958 of \$265,426.

My question is: would it not be much more economical for the corporation to avail itself of the architectural facilities of Central Mortgage and Housing Corporation, or the Department of Public Works rather than maintain your own?

Mr. RICHARDSON: I do not think I can answer that question at the present time. I would say this, that when it comes to building radio and television studios it is a highly specialized job, and I think we would have to maintain some architects and some engineers on our own staff to set out in very detailed form the requirements.

Mr. McGRATH: I realize that, but the fundamental architecture—and I am quite sure that with the facilities of Central Mortgage and Housing Corporation and the Department of Public Works, the required technical consultants could be brought in on it. I offer that as an observation. It is not a question.

Mr. LAMBERT: On that particular point have you considered dispensing entirely with this staff? Do you feel you could maintain this staff completely occupied year in and year out?

Mr. RICHARDSON: If we were not occupied, there would certainly be layoffs. The other thing is that this number of people is not always concerned with new construction. For example, this year they are doing a great deal of work on these planning problems so we can get down to an estimated cost, and time tables, and that sort of thing.

The CHAIRMAN: This cost here is \$265,426. Does it include not only salaries but the overhead, the lighting, the heat, the power, and so on?

Mr. BELL (*Carleton*): In addition to this how many private architects do you retain?

Mr. RICHARDSON: We have retained private architects on a per occasion basis. I can think of two instances: one, many years ago when we retained an architectural firm in Montreal to draft some general plans, sort of an architect's view of what might be done with a certain piece of property in Montreal; and in another case in Toronto where we had an existing building to which we thought we might add one or two stories to give us more space.

Mr. BELL (*Carleton*): It is only on the rare occasion then?

Mr. RICHARDSON: Yes, because our work load has been such that we have been able to carry it out with our own staff.

Mr. KUCHEREPA: How do you pay these architects that you retain? On what basis?

Mr. RICHARDSON: They get paid for the work they do.

Mr. KUCHEREPA: Is it done as a percentage of the entire cost of the building, or on a fee basis?

Mr. RICHARDSON: In neither case when we hired an architect were the buildings ever built, so we could not do it on a percentage of the cost. Therefore they were paid a fee. But if we had been doing it, we would have abided by the published fees of the various provincial architectural associations.

Mr. PRATT: Have you any comparison as to the costs of your organization as it is set up, compared to what the costs would be if a regular percentage fee for a private architect was charged?

Mr. RICHARDSON: Yes, and we have compared it with other broadcasting organizations.

Mr. PRATT: And you are still ahead by using your staff?

Mr. RICHARDSON: That is right.

The CHAIRMAN: May we now pass on to item 8. There has been data submitted on that under F-8. Are there any questions on eight?

Mr. JOHNSON (*Chambly-Rouville*): I see on page 2 that you give the cost per annum. Is there a breakdown showing the cost per square foot?

The CHAIRMAN: Where? On St. Catherine Street or where?

Mr. JOHNSON (*Chambly-Rouville*): As an average.

Mr. RICHARDSON: I do not have it, but we could calculate the average.

The CHAIRMAN: We could obtain that information for you privately if you wish.

Mr. JOHNSON (*Chambly-Rouville*): As long as we know the number of square feet rented.

Mr. PRATT: Might I ask a supplementary question: Could we have tables showing the cost of the alternate subsidiary studio at Dorchester and Stanley Street?

The CHAIRMAN: Yes, that could be obtained. Are there any further questions? Does the item carry?

Now, on Part G—Network Relations we have with us Mr. George Young. Mr. Young is in charge of the network relations with private stations and the different associations to which the C.B.C. belongs, together with the private stations.

Mr. McGRATH: In the light of the new legislation, would Mr. Young please explain to us his position?

Mr. GEORGE YOUNG (*Assistant Controller of Broadcasting Station Relations*): My position has to do with station relations, and I am still operating under station relations. You are speaking about broadcast regulations.

Mr. McGRATH: Yes.

Mr. YOUNG: I have nothing to do with broadcast regulations now at all. It is straight station relations.

The CHAIRMAN: That has all gone over to the B.B.G.

Mr. YOUNG: Yes.

The CHAIRMAN: Do they still use your staff?

Mr. YOUNG: Yes.

Mr. McGRATH: How many of a staff do you have?

Mr. YOUNG: Twelve.

Mr. McGRATH: What will happen to your staff when the B.B.G. takes over the regulatory powers?

Mr. YOUNG: That would depend on just how many of my staff will be required by the B.B.G. It has not been decided yet by the B.B.G., as to what they are going to do.

The CHAIRMAN: I think possibly we should stick to the agenda if we can. Is there anything under "(a) rules"?

Mr. LAMBERT: Have you a statement, Mr. Young?

Mr. YOUNG: I have no statement in connection with this. There was a statement issued covering all these various items in here, and that statement was submitted to each member, as I understand it. It all deals with network and program distribution.

The CHAIRMAN: Yes. That statement was filed on the first day of our hearings. It is called "Radio and Television network: 1 general; 2 stations; 3, networks."

Mr. McGRATH: I am not quite satisfied.

The CHAIRMAN: All right.

Mr. McGRATH: What is going to become of the staff when the regulatory functions of your department are taken over by the B.B.G.?

Mr. YOUNG: There will be a certain number of my staff who will be required probably by the B.B.G.

Mr. McGRATH: A certain number of them may be transferred to the B.B.G.?

Mr. YOUNG: That is right.

Mr. McGRATH: Will your functions be such that you will still require a large staff?

Mr. YOUNG: No.

Mr. McGRATH: How many would you require?

Mr. YOUNG: I would actually require in Ottawa six people. But then of course, do not forget there is another staff in Toronto and in Montreal.

Mr. McGRATH: Under your jurisdiction?

Mr. YOUNG: Yes.

Mr. McGRATH: This includes the overall 18?

Mr. YOUNG: No. When I said twelve, I meant in Ottawa.

Mr. McGRATH: And how many are there in Montreal and Toronto?

Mr. YOUNG: In Montreal there are two, and in Toronto there are 8.

Mr. McGRATH: And how many are there in Halifax?

Mr. YOUNG: There are none in Halifax.

Mr. McGRATH: That makes a grand total of 22?

Mr. YOUNG: Yes.

Mr. McGRATH: Do you foresee the majority of these being required by the B.B.G.?

Mr. YOUNG: Yes, the regulatory section.

Mr. BELL (Carleton): How big is it?

Mr. YOUNG: At Ottawa?

The CHAIRMAN: How big was it when you had it?

Mr. YOUNG: Right now I have 12 employees in Ottawa, and they include the regulatory people, and the station relations people as well.

Mr. CHAMBERS: How many are there in the regulatory section?

Mr. YOUNG: Twelve.

Mr. McGRATH: In other words, there is no definite plan for your department yet with respect to the regulatory division?

Mr. YOUNG: As far as regulations are concerned they are now handled by the B.B.G. But the staff in my office now is working for the B.B.G. on the compilation of such information as the B.B.G. may require from the logs. The logs of private stations are submitted to our office here at Ottawa.

Mr. McGRATH: Yes, I realize that. I was trying to ascertain what you had in mind as to what would become of these people when the B.B.G. takes them over. Will there be a vacuum there?

Mr. YOUNG: Will there be a vacuum in my office?

Mr. McGRATH: Within the corporation, yes. There are no more regulatory powers by the C.B.C. under the new regulations.

Mr. YOUNG: There will be no vacuum.

Mr. McGRATH: The jobs will be abolished?

Mr. YOUNG: Yes.

Mr. CHAMBERS: On page 477 of the evidence Mr. Stewart of the B.B.G. was asked about this question and he said:

Through the courtesy of the C.B.C., the staff who are scrutinizing the program logs are still occupying space there, but as soon as we have space we shall then acquire the necessary staff to handle the regulatory aspects of the board's work.

Mr. PICKERSGILL: Is it contemplated that some of the experienced staff that was with the C.B.C. will be transferred?

Dr. STEWART: No, it is not contemplated.

So you are going to have twelve people in your regulatory staff? What is going to become of them?

Mr. YOUNG: I am sorry but I do not know.

The CHAIRMAN: Dr. Stewart said it was not contemplated that he would take over their staff of 12 when they had their own headquarters.

Mr. CHAMBERS: He said when Mr. Pickersgill asked him.

Is it contemplated that some of the experienced staff that was with the C.B.C. will be transferred?

Dr. STEWART: No, it is not contemplated.

The CHAIRMAN: Then their jobs will be void?

Mr. YOUNG: I think he meant the senior staff there, because there has been some discussion as to the staff moving over to the B.B.G.

Mr. CHAMBERS: If I could just go on a little bit—

Mr. YOUNG: I think he meant the senior staff.

Mr. CHAMBERS: This is on pages 477-478. At the top of page 478 Mr. Pickersgill goes on:

Mr. PICKERSGILL: Why is that? Are these people needed for other functions of the C.B.C., or does the board not think it desirable?

Dr. STEWART: In the main, I do not think it is necessary for us to raid the C.B.C. We have discussed the matter of the regulatory staff with them, and our understanding, in fact, is that many of the people there will probably not wish to come to the board.

The CHAIRMAN: Then he goes on:

But we have not yet really grappled with the problem of who is going to handle the regulatory matters.

So I do not think it is decided, either, by Dr. Stewart—definitely decided—whether he is going to take the staff over or not.

Mr. YOUNG: That is going to be discussed, I know that, and it has been discussed briefly.

The CHAIRMAN: So as to be able to conclude this: if Dr. Stewart does not take them over, then you will not require them either?

Mr. YOUNG: That is right.

The CHAIRMAN: I have a question on subitem (b), financial arrangements with private stations, and there will be some other questions on that, I think. When you submit an American program—when an American program is piped in to you and you in turn pipe it out to private stations, do you charge them for that privilege?

Mr. JOHNSTON: Charge the private stations?

The CHAIRMAN: Yes.

Mr. JOHNSTON: No, we do not.

The CHAIRMAN: They get that free of charge?

Mr. JOHNSTON: No. I think I could perhaps cover this very quickly, Mr. Chairman, if I may just read from a note or two that I have. The situation is somewhat different in television than it is in radio. First of all, as you know—

The CHAIRMAN: Will you keep your remarks down to an absolute minimum, please.

Mr. JOHNSTON: There is a network rate set for every station in radio and in television. The arrangement that has obtained in radio down through the years is this, that the station gets paid 50 per cent of its published network rate after frequency discount has been deducted. The other 50 per cent accrues first to the corporation; but out of that we pay the regional discounts, the agency commission and, if it is a United States network program, the commission that is paid to the United States network—which also is 15 per cent.

In television the situation is different. We have three different bases of payments, depending upon the type of program involved. If it is a Canadian package—a C.B.C. package, which could be either a live show or a film program which we own and control, on that basis the station gets paid 50 per cent of its applicable network rate after frequency discount has been deducted, and also after annual continuity discount has been deducted, if that latter discount applies.

Mr. BELL (*Carleton*): I did not catch that last phrase.

Mr. JOHNSTON: Annual continuity discount. These are special discounts that apply for a 52-weeks series. This is in addition to the normal frequency discount.

The CHAIRMAN: The normal frequency discount is for a 13, 26 or 39-week series, say; but the annual is on 52 weeks?

Mr. JOHNSTON: That is right. If the program is on film, the station remuneration is 60 per cent rather than 50 per cent.

The CHAIRMAN: That is a C.B.C. package film?

Mr. JOHNSTON: No, it is not a C.B.C. package film. If the program is on film, the remuneration is 60 per cent instead of 50 per cent.

A third category relates to United States networks programs of any kind, whether they come in live or on film. The station gets paid 30 per cent of its applicable network rate before any discounts are involved; 28 per cent if there is annual continuity discount involved. These arrangements have all been worked out with the affiliates in our meetings with them.

The CHAIRMAN: What about if there is a national advertiser on a strictly Canadian, C.B.C. package? Who gets all the money from the national advertiser?

Mr. JOHNSTON: It is paid first to the C.B.C., and out of that, for the station time—

The CHAIRMAN: You still pay only 50 per cent?

Mr. JOHNSTON: We pay the station 50 per cent of its applicable rate; but we also pay the agency commission and the regional discount.

The CHAIRMAN: Can they sell the odd half minute or minute ident?

Mr. JOHNSTON: This would occur in the network breaks that occur between programs.

The CHAIRMAN: And the local private station sells his own time there?

Mr. JOHNSTON: Yes, indeed; and so do our own C.B.C. stations. If you talk of a half hour program, the actual running time of that is 29 minutes, 25 seconds; there is a five seconds break for a network cue and 30 seconds clear before the next network program starts. Every station on the network, including C.B.C., sells that.

The CHAIRMAN: Take the Ed Sullivan show, on which the station gets only 30 per cent on "A" time, and they get a minute break there: the local station would get anywhere from what—\$100 to \$200 for that time?

Mr. JOHNSTON: I would not like to quote individual figures; they just do not come to mind.

The CHAIRMAN: What I am trying to get at is this: are you people getting enough from private stations? I mean, are they actually paying their way, or are you subsidizing private stations to a great degree?

Mr. JOHNSTON: No, I do not think I would like to say that we are. I think it is the way in which the network dollar is distributed.

The CHAIRMAN: Did you have something to add, Mr. Gilmore?

Mr. GILMORE: I think I see your question, Mr. Chairman. The private station pays us nothing per se. We remunerate them for carrying the sponsor's program. I think that is the way it is.

Mr. BELL (*Carleton*): Are these rates ones which were negotiated between the B.C.C. and the C.A.B.?

Mr. JOHNSTON: No, not C.A.B.

Mr. BELL (*Carleton*): Then who would have acted on behalf of the private stations?

Mr. JOHNSTON: First of all, the formula—as I mentioned the other day—on which we develop, or have developed our television network rates has been developed in consultation with a committee representing the private affiliates. We set our rates on that basis at the present time. Also we are studying right now—at their request—alternative methods of setting network rates. But at the present time we set our rates based on the formula which is related to the coverage of each individual station.

Mr. BELL (*Carleton*): It has been a matter of negotiation. Have you had many complaints?

Mr. JOHNSTON: I do not suppose there is a network anywhere in the world where all its affiliates feel they are getting as much money as they should.

The CHAIRMAN: Are there any other questions on financial arrangements, gentlemen? May we move to sub-item (o)? Are there any network relations problems? Mr. Young, do you meet with the affiliates quite often and settle these problems—or how do you work these out?

Mr. YOUNG: We have daily contact with all our affiliates and we are dealing with problems—as you might call them—every day. I mean, we assist them on some of their problems. In some, we cannot assist them. But it is fair to say that there are problems coming up all the time. Naturally, when you have 41 private stations working with you on the television network, you will have problems. So I cannot give any specific problem—no major problem as such, because they are settled by the committees and

at our meetings that are held with the affiliates. If there is any major problem which comes up, it is dealt with there with all the affiliates, who meet twice a year.

The CHAIRMAN: Did you wish to say something, Mr. Ouimet?

Mr. OUMET: I was going to say, Mr. Chairman, that we meet twice a year with all the affiliates; and from the affiliates and the C.B.C. two committees function one called the commercial subcommittee, the other the program advisory committee, which also meet at the same time as the group as a whole.

Mr. FISHER: How big is the group that looks after the log check?

The CHAIRMAN: That is getting back to another group—

Mr. FISHER: No; this is leading up to a problem about which I have heard.

Mr. YOUNG: My reason for being hesitant is the fact that we have worked for so many years in station relations and regulations, and these people have integrated in both jobs. When you ask me for specifics like this, I have to sit and think, because these people working on logs may work for us—they do; they work on a distribution check-up of our programs and work specifically on—

Mr. FISHER: I am thinking of checking logs.

Mr. YOUNG: Six or seven.

Mr. FISHER: Now, how many or what kind of sample or spot checks have you to make sure the logs you do get or have been getting are not doctored?

Mr. YOUNG: Over the years we have monitored stations and I must say that in our monitoring efforts we have found just negligible mistakes in the logs in some stations. I would say of the whole group there might be about six stations that have been bad boys, and that is about all.

Mr. FISHER: This then has never been a serious problem—or, is it possible that if you had taken at random a larger sample you might have uncovered more that was doctored?

Mr. YOUNG: I would go so far as to say that the logs which come in to us are factual logs. As I said before we have got nothing out of our air checking, and that is checking 65 stations.

Mr. FISHER: Have you noticed any contrast between radio and television?

Mr. YOUNG: No.

Mr. FISHER: There is approximately the same pattern?

Mr. YOUNG: Yes.

Mr. FISHER: There is one other problem that I have heard about and that is the question of short range shifts on the part of local stations from network programs to something that may have blown up in a hurry in local regions, and the arrangements to untrack or get out of the network responsibility. How do you handle something like that?

Mr. YOUNG: They immediately get in touch with us. That would be in the case of something of local importance. Where they have a contractual period and want to do something, such as in the case of a flood or a fire, they immediately get in touch with us, and immediately get a release.

Mr. FISHER: During the recent election campaigns of the last three years did you have many problems in this particular field in so far as ditching network shows in order to put on local television?

The CHAIRMAN: Local television on what?

Mr. FISHER: I mean local local television on political campaigns.

Mr. YOUNG: I do not recall any in television; there are very, very few. As you know, we issue to our affiliates the free time periods that have been allotted

to the various parties and they are not permitted in those free time periods to put on a local broadcast of their own—a local political broadcast of their own. There have been minor contraventions in that respect, but not very many.

Mr. FISHER: What happens when you get a contravention?

Mr. YOUNG: We immediately get after them. What happens is that we can get the majority of them, inasmuch as before they have booked any political periods they submit them to the office, and they are checked. If we see where they are contravening any one of these periods, they are contacted and told they cannot do it.

Mr. CHAMBERS: Mr. Chairman, I may have missed this in a previous item. In connection with the sustaining programs and non-sponsored programs produced by the C.B.C., I wanted to know whether the financial arrangements with the station for carrying them are the same as for sponsored ones?

Mr. YOUNG: No.

Mr. GILMORE: If I may say a word on that, Mr. Chairman, we provide the programs and the stations provide the time, and that is their contribution in the partnership of distributing the national program system. I think it is fair to say it is just that way.

Mr. CHAMBERS: Who provides the bit in between?—the carrying charges?

Mr. GILMORE: The network system—the Canadian Broadcasting Corporation.

Mr. CHAMBERS: Do you feel this is a fair distribution?

Mr. GILMORE: Under the terms of our act, in carrying on the national broadcasting system in Canada, our board has felt that is the proper approach.

Mr. CHAMBERS: A private broadcaster provides the audience with the same program at relatively little cost or much less cost than does the C.B.C. station.

Mr. GILMORE: I think perhaps there is another way to look at it. The corporation produces a program of broad national interest and has it distributed in this fashion through the cooperation of its affiliates in partnership.

The CHAIRMAN: You are being charitable to the private stations?

Mr. GILMORE: We think it is a pretty good arrangement.

Mr. McGRATH: Under the new legislation do you feel, in your opinion, that the relations between the corporation and the private stations have improved considerably? If so, would you explain. I am not suggesting that they were exceptionally poor, but I assume there is always room for improvement.

The CHAIRMAN: Do you mean since the formation of the B.B.G.?

Mr. McGRATH: Since you lost your regulatory powers.

Mr. YOUNG: I have not noticed any differences yet.

Mr. OUIMET: The relationships in television have been excellent from the very beginning. I think this would be confirmed by everybody involved.

The CHAIRMAN: Number 2 item is analysis of possible regional networks. Are there any questions on this. If not, I know there will be questions on 3. We will pass on to 3, cost and justification of Dominion network.

Mr. FISHER: What are you going to do about the Dominion network?

Mr. GILMORE: On our operational forecast for the five-year period of the corporation, we, of course, have to take into consideration the new face of radio in Canada—the effect of television, etc. Among the considerations are those concerning the most efficient way of providing total radio coverage. Obviously, that will require study of the Dominion network. We are keeping

in mind what the Fowler commission has recommended and are trying, at the same time, to provide the maximum service possible through Dominion and Trans-Canada without too much duplication.

Mr. FISHER: Mr. Chairman, I never ridicule anyone's answer, but I think Mr. Gilmore would agree that that really does not tell us much.

Mr. GILMORE: I am sorry if I have not answered it. I am only trying to say we have not made a final declaration on that yet, but it is being studied. It is one of the recognized problems.

Mr. FISHER: Is there any strong feeling among the management group of the C.B.C. that the Dominion network should be retained?

Mr. GILMORE: You put it in terms of strong feeling. We believe there is great feeling that the Dominion network is doing a job. We are speaking about a service of some 25-odd hours of network time in the case of approximately 31 basic stations and some other supplementary A. and B. stations. We are speaking about such programs as Assignment. The network facilities also are used for other purposes such as feeding closed circuit special facilities. For both Trans-Canada and the international service, there is definitely a feeling it does serve a purpose.

The CHAIRMAN: If you add those few areas which are not covered by Trans-Canada and are now covered by Dominion and took those out of Dominion and put them into Trans-Canada in one network, how much money would you save?

Mr. GILMORE: The net saving when last calculated, taking into consideration that also we are using these lines for other than broadcasting distribution to Dominion—that is pretty important—was something between \$300,000 and \$350,000 a year.

The CHAIRMAN: Was that also taking into consideration the second Toronto station?

Mr. GILMORE: I cannot answer that without looking it up.

The CHAIRMAN: Mr. Richardson says no.

Mr. RICHARDSON: I do not think so. I was on the committee.

Mr. CHAMBERS: Particularly in the United States there is a trend away from the network, as in radio, in respect of that being important in holding the audience. Is that not so.

Mr. GILMORE: That is true during night-time; but radio network and radio local, both, are pretty important facets, particularly in the day-time hours.

Mr. CHAMBERS: Is there not a trend in the United States for many radio stations to go off the air about seven or eight o'clock at night?

Mr. GILMORE: I do not know of any network outlets that are doing this sort of thing.

The CHAIRMAN: Is that the reason why Mutual failed, because they did not?

Mr. GILMORE: If you want an opinion why Mutual failed—

The CHAIRMAN: Yes.

Mr. GILMORE: There was probably only room in the United States for three major networks and not four.

Mr. FISHER: I have to make an observation, at least to balance the record. There are eight low-power relay stations in my constituency which do not get TV, and it is almost impossible to get any other type of radio. If you wiped out network programming it may be fine for Toronto and Montreal, but where are we going to be?

The CHAIRMAN: We were talking of the possibility of discontinuance of Dominion-network.

Mr. GILMORE: Yes.

Mr. FISHER: I gathered the intention of the question was to do away with network broadcasting.

Mr. CHAMBERS: No, at night in urban areas.

Mr. McGRATH: I did not hear the reply to the cost of the dominion network to the corporation.

Mr. GILMORE: I think I gave it. It is a net cost—or a net saving, if you discontinued the service, taking everything into consideration, of somewhere between \$300,000 and \$350,000.

Mr. McGRATH: I am sorry, I should have been listening more closely.

The CHAIRMAN: Any more questions on dominion network.

Thank you very much, gentlemen.

You have a question of privilege, Mr. Johnson?

Mr. JOHNSON (*Chambly-Rouville*): I do not want to delay the committee too much, so I will read a little statement here.

(*Mr. Johnson continuing in French.*)

The CHAIRMAN: May I have the translation, please, and then Mr. Brassard.

Mr. JOHNSON (*Chambly-Rouville*) (*Interpretation*): Mr. Chairman, I wish to refer, on a question of privilege, to something that has arisen, an incident that has arisen in the newspapers. This incident which, furthermore, is unimportant, seems to have been unfortunate for my colleagues, Mr. Brassard and Mr. Tremblay, and myself. It arises from what proceeded on Tuesday, July 7, 1959, and it was implied in the *Canadian Press* despatch of July 8, 1959.

The facts are as follows: at a certain moment, while the committee was discussing item C, examination of general principles in connection with political and discussion programs, I put a question which the chairman of the committee considered out of order, pointing out to me that I could raise the question under a subsequent item.

Subsequently I objected to a question put by Mr. Brassard, as the question struck me as another supplementary to my own. There followed a cross fire of remarks between Mr. Brassard and myself. They were carried on in a jovial, humorous and gentlemanly spirit, and all this, incidentally, in the French language. It being in French, I am under the impression that the chairman of the committee thought that we were carrying on a discussion which was out of order.

Mr. Tremblay then put another question which gave rise to some laughter, notwithstanding the serious nature of his question. It was at this point that the chairman, who seemed to be addressing Mr. Tremblay more than Mr. Brassard and myself, made the remarks which are reported in the newspapers to the effect that we did not seem to take the work of the committee seriously, and in which case we should resign.

At this point I made a remark in English, this time to the effect that I in no way considered the committee's work as lacking in seriousness.

After the meeting was adjourned the chairman explained to me that his remarks had resulted from a misunderstanding, which was complicated by the language barrier.

I want this statement of mine to be put in the file or on the record because I am still receiving charitable comments from my colleagues in this committee.

The CHAIRMAN: Is it agreed to have this statement in the record?

Agreed.

The CHAIRMAN: The chairman says "Mea Culpa".

Mr. PRATT: You should say it three times.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, on a question of privilege, could you agree to put on the record of the committee's proceedings the letter which you received from Mr. Pierre Chalout, considering that this letter from Mr. Chalout stated that before 1957 he had felt himself obliged to refuse to take part in a C.B.C. program, inasmuch as he was asked to make a certain statement in favour of the federal government then in power?

The CHAIRMAN: I shall be glad to take that up with the steering committee.

Mr. RICHARDSON: At this stage of our proceedings I want to express to you and to the committee the thanks of the C.B.C., particularly on behalf of Mr. Bushnell and Mr. Landry who cannot be here today, and also on behalf of all those who have had the pleasure of working with you in your deliberations in connection with these various matters. Thank you very much.

Mr. BELL (*Carleton*): The pleasant words which Mr. Richardson has used are very much appreciated by the members of the committee, and I think we should express our very deep sense of gratitude to all the officers of the C.B.C. I know that all the members of the committee have been very favourably impressed by the competence of the officers when they appeared before us and in the articulate manner in which they presented the facts to us. It has been more than helpful to the members of the committee and I am sure it has given us a new conception of the real capacity of these dedicated public servants. To them I am sure we are really grateful, and I may add that—perhaps the chairman should not be listening to this—but I think all the members of the committee would like to have it put on the record that our chairman has presided with remarkable skill, businesslike efficiency and good humour.

Some Hon. MEMBERS: Hear, hear.

Mr. PICKERSGILL: Mr. Chairman, I would like to say that I agree with what Mr. Bell said about the witnesses who have appeared before us from the Canadian Broadcasting Corporation. I think that their outstanding quality has been their patience—for which I certainly commend them. I will not go so far as to say that the outstanding quality of our chairman has been his impatience; but despite some regrettable lapses, he has not done badly.

Mr. FISHER: I am sorry, Mr. Chairman; I can go along with the remarks about you and the remarks about the C.B.C.; but I cannot go along with the remarks that this committee has been sort of unanimous in its appreciation—real appreciation—of the C.B.C. I am very much afraid that there are some people in the committee who are neither friendly nor fair to the C.B.C.

Mr. PRATT: Mr. Chairman, in view of the fact that we are all so very fond of each other, may I express the hope that we may meet more often?

The CHAIRMAN: May we leave on that note, gentlemen? Mr. Johnson, I think you have one statement to make.

Mr. JOHNSON (*Chambly-Rouville*): We from this group are very satisfied with your performance.

Mr. FISHER: I move we adjourn.

Mr. PICKERSGILL: The minority group.

Mr. CHAMBERS: Are you speaking for the opposition?

Mr. JOHNSON (*Chambly-Rouville*): Mr. Chairman, I am still waiting for answers to my question of June 9, 1959, reported in No. 10, page 376, about the amount paid to each company—film distributors—by the C.B.C.

The CHAIRMAN: That was taken up in the steering committee once, and we shall take it up again. If it is their decision to give you the information, you will get it personally.

Mr. CHAMBERS: When is the steering committee going to meet?

Mr. PICKERSGILL: Mr. Chairman, what is the understanding? I apologize for having been away most of the time since—

The CHAIRMAN: I know you could not help it; you were up in the chamber. We will have a steering committee meeting this afternoon, if it is agreeable to the steering committee and we shall reconvene—in camera on Tuesday morning at 9.30.

Mr. CHAMBERS: At what time is the steering committee meeting?

The CHAIRMAN: Three-thirty, this afternoon. Then we will reconvene at 9.30 Tuesday morning.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE COMMITTEE'S
PROCEEDINGS CONDUCTED IN THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS DU
COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

COMITÉ DE LA RADIODIFFUSION—10 juillet 1959

(Page 814)

M. JOHNSON: Au sujet du personnel de l'organisation commerciale à Montréal, est-ce qu'il arrive que Radio-Canada impose un programme à un commanditaire plutôt que de lui laisser choisir tel ou tel programme ou de lui laisser organiser tel ou tel programme.

* * *

(Page 814)

M. JOHNSON: Maintenant, monsieur Ouimet peut peut-être m'éclairer là-dessus. Est-ce qu'il peut arriver, par exemple, à Montréal au réseau français, que Radio-Canada, entre deux programmes du même genre, en impose un plutôt que l'autre au commanditaire, de sorte que, par exemple, un programme très intéressant qui quitte les ondes, comme "Point de mire", le cède à un programme un peu du même genre, de la même catégorie, "Pays et merveilles", qui est à l'horaire depuis plusieurs années?

Je pose cet exemple, parce que je crois sincèrement que Radio-Canada a comme politique générale,—et l'on me corrigera si l'on veut,—de ne pas laisser les programmes à l'horaire trop longtemps et de faire de la variété.

* * *

(Page 814)

Maintenant, monsieur Ouimet, si un commanditaire ou une agence offre à Radio-Canada de commanditer un programme à condition que Radio-Canada prenne tel ou tel artiste, est-ce que vos représentants commerciaux, à Montréal, vont accepter cette proposition d'un commanditaire ou d'une agence?

* * *

(Page 816)

M. DORION: Si j'ai bien compris le témoin, il nous a dit que, lorsqu'il s'agissait de faire écho à une opinion publique, il se servait en particulier des opinions exprimées par la presse.

* * *

(Page 816)

Mais quand vous parlez, n'est-ce-pas, des opinions de la presse, est-ce que c'est l'opinion d'une certaine presse ou si vous tenez compte des nuances d'opinions de toute la presse, en général, y compris les hebdomadaires?

* * *

(Page 818)

M. TREMBLAY: Monsieur le président, pour faire suite à la question de M. Pickersgill relativement à votre appréciation des opinions de la presse, est-ce que vous tenez compte de l'opinion d'un pseudo journal comme "La Réforme"?

* * *

(Page 818)

M. DORION: Monsieur Fraser, est-ce que vous avez, à chaque semaine, une revue de la presse et des hebdomadaires?

* * *

(Page 818)

M. DORION: Le dimanche.

* * *

(Page 818)

Je tiens à dire que ce programme est très bien fait et j'exprime l'espoir qu'il s'étende aux différentes régions de la province et qu'il produise des opinions locales, autant que possible?

* * *

(Page 820)

M. JOHNSON: En posant ma question, monsieur Fraser, je prends pour admis que c'est bien ce service d'information qui a charge de ces problèmes. Quelles sont les coutumes de Radio-Canada,—et je réfère surtout au réseau français à Montréal,—quant à la distribution des annonces achetées des journaux, en somme, placées par les journaux pour faire de la publicité à un programme? Je songe, par exemple, à une annonce très bien faite au sujet du programme très populaire qui s'appelle: "Chez Miville", annonce que je n'ai pas vue moi-même ailleurs que dans un hebdomadaire, ou quotidien à tirage très limité à Montréal?

* * *

(Page 823)

M. TREMBLAY: Nous avons reçu une publication de l'Institut canadien d'éducation pour les adultes, en date de juin 1959. Est-ce que Radio-Canada paie une partie de ces publications-là qui sont préparées en collaboration avec Radio-Canada?

* * *

(Page 823)

Dans le cas de celle que nous avons reçue dont le coût est...

* * *

(Page 826)

Monsieur le président, je voudrais demander à la société Radio-Canada comment elle considère les syndicats, les mouvements ouvriers organisés? Est-ce que Radio-Canada les considère comme des partis politiques ou des sociétés philanthropiques, dans un sens très large du mot?

* * *

(Page 826)

Dans les cas où ces sociétés, ces groupements ouvriers ont besoin de faire de la publicité, comment les traitez-vous? Les traitez-vous comme des organismes ordinaires qui doivent payer pour leur période de temps?

* * *

(Page 826)

Monsieur le président, c'est justement là, nous avons un groupe qui échappe aux catégories ordinaires ou définitions ordinaires. Ce ne sont pas des partis politiques, ce ne sont pas des organismes commerciaux, ce ne sont pas vraiment des organismes philanthropiques dans le sens que l'on entend généralement. Alors, dans quelle catégorie peut-on les placer, lorsqu'ils ont à traiter avec Radio-Canada?

* * *

(Page 827)

M. JOHNSON: Lorsqu'un groupe religieux, en général, un groupe ethnique se sent lésé, bafoué par un programme de Radio-Canada, est-ce qu'on donne la chance à ce groupe religieux ou ethnique de venir exposer son opinion ou ses protestations? Je songe présentement au fameux programme sur le général Kurtmeyer?

* * *

(Page 827)

Il y a, monsieur le président, beaucoup de relation entre la religion et les groupes ethniques. Il s'était senti persécuté...

* * *

(Page 849)

M. JOHNSON: Dans les journaux il s'est passé un événement qui me semble injuste à l'égard de mes collègues, MM. Brassard, Tremblay et de moi-même.

Cet incident est rapporté dans les journaux du mardi 7 juillet 1959 par la Canadian Press. A la séance du mardi 7 juillet 1959, cet incident d'ailleurs sans importance, a été amplifié dans le rapport de la Canadian Press, paru le 8 juillet 1959. Voici les faits:

A un moment donné, alors que le comité discutait l'item (c), soit des principes généraux relatifs aux émissions politiques et de discussions, j'ai posé une question que le président du comité a jugé irrégulière, me signifiant que je pourrais poser cette question lors de l'étude d'un item subséquent.

En conséquence, je me suis opposé à une question de M. Brassard, qui me semblait être une "sous question" par rapport à la mienne. Il s'en est suivi un échange de remarques entre M. Brassard et moi-même sur un ton plaisant, comme deux gentilshommes savent le faire.

La discussion se déroulant en français, le président du comité me semble avoir eu l'impression qu'à ce moment-là nous avions entamé une conversation irrégulière.

M. Tremblay a alors posé une autre question, qui a soulevé quelques rires, malgré son caractère sérieux.

C'est alors que le président, qui semblait s'adresser à M. Tremblay, à M. Brassard et à moi-même, a fait la remarque qui a été rapportée par les journaux, à l'effet que nous ne semblions pas prendre le travail de ce comité au sérieux et que nous devrions démissionner.

C'est alors que j'ai ajouté, en anglais cette fois, une remarque à l'effet que je ne considérais pas du tout le travail du comité comme manquant de sérieux.

Après l'ajournement de la séance, le président m'a expliqué que sa remarque résultait d'un malentendu compliqué d'une difficulté de langage.

Je veux que cette déclaration soit inscrite au dossier, parce que je suis encore la cible de commentaires par des collègues très charitables.

* * *

(Page 850)

M. TREMBLAY: Sur une question de privilège, monsieur le président, pourriez-vous consigner au compte rendu des délibérations du comité la lettre que vous avez reçue de M. Pierre Chaloult, étant donné que, dans cette lettre, M. Chaloult déclare qu'il a dû, avant 1959, refuser de participer à des émissions de Radio-Canada, parce qu'on lui demandait de faire des commentaires qui puissent être favorables au gouvernement fédéral alors au pouvoir?

APPENDIX "A"

LETTER FROM PIERRE CHALOULT

Mr. G. E. Halpenny, M.P.

Chairman, Special Committee on Broadcasting,

As you suggested me few minutes ago, may I protest the way my name has been quoted at this comitee yesturday. I sould like to state:

Je n'ai jamais sollicité le privilège d'obtenir des émissions à Radio-Canada. Je suis ancien fonctionnaire et j'ai quitté le fonctionnarisme pour pouvoir dire librement ce que je pensais. Je ne veux pas redevenir fonctionnaire par la petite porte.

On m'a, par le passé, offert des émissions à Radio-Canada. J'ai parfois accepté et parfois refusé spécifiquement dans un cas où l'on exigeait que je dise aux auditeurs ce qui n'était pas, à mon sens, exact. On m'a déjà laissé entendre (du temps des libéraux) qu'il fallait être en bons termes avec le pouvoir pour obtenir des émissions à Radio-Canada. Mais comme je représente un journal indépendant en politique, un journal dont il ne m'appartient naturellement pas de déterminer la conduite, je n'ai jamais accepté de faire des émissions à Radio-Canada où mes paroles contrediraient les attitudes prises dans le journal pour lequel je travaille.

On m'a souvent suggéré de demander des émissions à Radio-Canada, me disant que j'en obtiendrait. J'ai clairement répondu que je n'en demanderais jamais et je ne l'ai jamais fait.

Ces jours derniers, un employé de Radio-Canada m'a dit que mon nom était sur une liste noire. Je ne demandais rien. On m'a dit cela gratuitement. Je n'ai guère fait plus que répéter ce que l'on m'avait dit d'où, j'imagine, les questions d'hier à mon sujet.

Ce matin, on m'a offert de participer à une émission de Radio-Canada. Il va de soi que je n'ai pas accepté. Je n'ai pas l'intention que l'on me juge comme je juge moi même M. Peers et ses pareils.

Pierre Chaloult.

TRANSLATION OF FRENCH TEXT
LETTER FROM PIERRE CHALOULT

I never asked the C.B.C. for the privilege of getting on the air. I am a former civil servant who gave up the civil service in order to be able to give free expression to his thoughts. I am not trying to find a roundabout method of getting back into the civil service.

In the past, I was offered air on the C.B.C. Sometimes I accepted; other times I refused in specific cases where I was required to tell listeners what I considered inaccurate. It has even been hinted to me (when the Liberals were in power) that you have to be on good terms with the powers-that-be in order to get on the C.B.C. air. But as I represent a politically independent newspaper—and it is not for me, of course, to decide on the line that newspaper takes—I never agreed to make C.B.C. broadcasts in which my utterances would run counter to the stands taken by the newspaper for which I work.

It has often been suggested to me that I should request C.B.C. air; I was told it would be allowed to me. I made it clear that never would I ask for this; and I have never done so.

During the last few days, a C.B.C. employee told me my name was on the black list. I did not ask for this information, it was volunteered. I hardly did anything more than to reiterate what I have already stated—hence, presumably, yesterday's questions regarding me.

This morning, I was offered C.B.C. air. Needless to say, I declined. I have no intention of being judged as I myself judge Mr. Peers and like-minded persons.

Pierre Chaloult.

APPENDIX "B"

LETTER FROM ROLLAND D'AMOUR

Montréal, le 9 juillet 1959.

Monsieur G. E. Halpenny, député,
Président du Comité de la Radio-Télévision,
Chambre des Communes,
Ottawa.

Cher Monsieur,

Permettez-moi de vous faire part de la mise au point suivante, au sujet des déclarations qui viennent d'être faites au Comité Parlementaire de la radio et de la télévision, le 9 juin dernier, en vous priant de l'inclure au procès-verbal d'une prochaine séance:

1. Je n'ai jamais donné ni prétendu avoir donné de cadeaux à aucun de mes employeurs, à Radio-Canada ou ailleurs, *en vue d'obtenir du travail*.
2. La déposition dont il a été question n'a pas eu lieu en 1955, mais exactement en février 1952, et au sujet des déclarations d'impôt des années 1949-50; années où il n'y avait pas encore de télévision d'ailleurs;
3. A cette occasion, j'ai déclaré avoir une quarantaine d'employeurs, tant à la radio privée, qu'à la radio d'état, et de plus un certain nombre d'interprètes à titre de compositeur.
4. A la même occasion, j'ai fait mention de *frais de représentation*, que j'ai détaillé comme suit: Paiement de certains repas occasionnels et achat de spiritueux ou de parfums, etc..., pour féliciter et remercier les interprètes de mes chansons, ou pour maintenir des relations de bonne compagnie avec mes propres employeurs: réalisateurs de radio, agences de publicité, scripteurs, gérants de poste, etc...
5. Le juge Fabio Monette, après avoir entendu mon témoignage, a approuvé toutes et chacune des dépenses encourues comme étant normales et constituant a usens de la loi d'honnêtes "frais de représentation".

J'ose espérer que ces quelques précisions vous seront utiles et que vous voudriez bien concourir, pour votre part, à rétablir les doutes qu'on a fait planer sur ma propre honnêteté et sur celle de vos réalisateurs.

Cordialement vôtre,

Roland D'Amour,
7611, Louis Hébert, Montréal.

(Translation)

Montreal, July 9, 1959

Mr. G. E. Halpenny, M.P.,
Chairman, Committee on Broadcasting,
House of Commons,
Ottawa.

Dear Sir,

With your permission, there are a few points I would like to clear up in connection with statements made during the meeting of the Parliamentary Committee on Broadcasting held on June 9th last. Would you therefore be good enough to include the following in the Proceedings of one of your next meetings:

1. I have never made or claimed to have made any gifts to my employers, at the Canadian Broadcasting Corporation or elsewhere, *for the purpose of obtaining work.*
2. The evidence in question was not given in 1955 but, very precisely, in February 1952, and it concerned income tax returns for the years 1949-50 when, in fact, there was as yet no television;
3. On that occasion I stated that I had about forty employers both in private and government radio and also, being a composer, a number of performers.
4. On the same occasion I mentioned my *entertainment expenses*, explaining them in detail as follows: Cost of occasional meals and purchase of liquor or perfume, etc., as a token of appreciation to the artists who sang my songs and to maintain courteous relations with my own employers, i.e., radio producers, publicity agencies, script writers, station managers, etc....
5. After hearing my evidence, Judge Fabio Monette approved each and every one of the expenses incurred as being normal and constituting equitable "entertainment expenses" within the meaning of the Act.

I trust the foregoing particulars may be of use to you and that you for your part will help to dispel the doubts that have been raised regarding my honesty and that of your producers.

Cordially yours,

(sgd.) Roland D'Amour,
7611, Louis Hébert, Montreal.

APPENDIX "C"

COST OF RENTAL OF STUDIOS AND REHEARSAL HALLS

Supplement to Appendix "J" Page 803, Thursday, July 9, 1959

Location	Address	Cost/Annum	Area	Radio Studio	TV Studio	Re-hearsal Hall
NEWFOUNDLAND REGION						
Grand Falls....	High & Mill Road.....	\$11,200.00	4,000	×	—	—
St. John's.....	Duckworth Street.....	\$13,412.50	6,340	×	—	—
MARITIMES REGION						
Halifax, N.S....	100 Sackville St.....	\$24,168.00	8,056	×	—	—
Halifax, N.S....	Nova Scotian Hotel.....	\$ 3,110.00	2,049	×	—	—
Halifax, N.S....	7-11 Argyle.....	\$ 3,200.00	4,300	—	×	×
Sydney, N.S....	247-251 Charlotte St....	\$ 3,900.00	2,200	×	—	—
Moncton, N.B...	232 St. George St.....	\$10,000.00	4,500	×	—	—
QUEBEC REGION						
Montreal.....	1244 St. Catherine St....	\$22,122.00	18,600	—	—	×
Montreal.....	1173 Drummond St.....	\$ 4,200.00	6,150	—	—	×
Montreal.....	1425 Dorchester St.....	\$34,261.20	11,052	×	—	—
Montreal.....	3710 Calixa Lavallee.....	\$ 1.00	see	×	×	—
	(Stage 40'x40' (1600sq.ft.)	(\$10.00/day	column			
	plus	for stage only)	"2"			
	audience seating capacity	(\$75.00/				
	for 1300 people)	occasion				
		with				
		audience)				
Montreal.....	3510 Cote des Neiges Rd.	\$12,000.00	12,000	×	—	—
Montreal.....	Saint Croix Blvd.....	\$36,000.00	14,693	—	×	—
Montreal.....	1137 Stanley St.....	\$48,000.00	29,479	—	×	×
Montreal.....	1482 Guy St. (4 halls)....	\$22,826.00	11,300	—	—	×
Montreal.....	1162 Crescent St.....	\$20,352.00	8,300	—	—	×
Montreal.....	1231 St. Catherine St....	\$12,975.00	6,057	—	—	×
Chicoutimi.....	121 East Racine St.....	\$ 4,405.05	3,476	×	—	—
Quebec.....	Palais Montcalm.....	\$ 8,000.00	5,858	×	—	—
ONTARIO REGION						
Toronto.....	9 McGill St.....	\$12,000.00	9,134	×	—	—
Toronto.....	90 Sumach St.....	\$48,372.00	40,310	—	—	×
Ottawa.....	Chateau Laurier.....	\$ 5,625.00	4,500	×	—	—
Windsor.....	Security Bldg.....	\$ 7,350.00	2,975	×	—	—
PRAIRIE REGION						
Winnipeg.....	444 St. Mary's Ave.....	\$10,620.00	18,790	×	×	—
Regina.....	1840 MacIntyre St.....	\$ 9,275.00	3,500	×	—	—
Edmonton.....	100th Street & Jasper	\$ 8,500.00	2,770	×	—	—
	Avenue.....					
BRITISH COLUMBIA REGION						
Vancouver.....	701 Hornby St.....	\$24,923.60	11,541	×	—	—
Vancouver.....	660 Howe St.....	\$14,293.56	5,500	×	—	—
Prince Rupert..	336 2nd Ave. W.....	\$ 900.00	760	×	—	—

July, 1959

APPENDIX "D"
COMPARISON OF STAFF YEARS 1957-58 AND 1958-59

	1958	1959	Increase
Radio and Integrated Services			
Program.....	686	731	45
Engineering.....	714	825	111 (1)
Audience Research.....	22	23	1
Commercial.....	57	59	2
Press and Information.....	109	135	26
Station Relations.....	3	4	1
Administrative and Clerical.....	1,612	1,681	69
	3,203	3,458	255
Television			
Program, Film and News.....	836	921	85
Design and Staging.....	981	1,065	84
Engineering.....	879	1,017	138
Admin. and Clerical.....	363	418	55
	3,059	3,421	362
International Service.....	171	172	1
TOTAL.....	6,433	7,051	618

NOTE (1): Of the 111 new positions in Engineering, 84 were added in Toronto, on the regular establishment as a result of a collective agreement negotiated during the fiscal year. These employees were formerly employed on a weekly basis and not included in reports covering regular staff.

Ottawa, July 13, 1959.

APPENDIX "E"
CORNER BROOK TV STATION COSTS

At the Friday July 10th meeting of the Special Committee on Broadcasting, Mr. McGrath requested the costs of establishing our Corner Brook TV Station.

The application form filed with Department of Transport, when application was made for this licence, showed the following...

"Initial Capital Costs	
Land including road and municipal services (road, water, sewage).	\$ 17,000
Building.....	133,500
Equipment.....	87,700
Tower, antenna and transmission line.....	6,700
	\$244,900

NOTE: This does not include engineering, administrative and overhead charges or contingency allowances.

NOTE: Building, equipment, tower, antenna and transmission line costs are estimates only based on the equipment listed above. It is Corporation policy to call for tenders for all construction and equipment of this kind. The acceptance of any tender is based on compliance with specifications, technical considerations, prices, delivery and service. Therefore, costs are not known until tenders have been received, analyzed and one selected."

At the Public Hearing held by the BBG on March 16, 17 and 18, 1959, it was explained to the BBG that the establishment at Corner Brook would be a combined Radio - TV operation because we had not been granted permission to expand our "in town" facilities, but had to move to new property. It was also explained that the combined cost including engineering, overhead, i.e., on a cost accounting basis, would be "around \$300,000 and the TV portion about \$260,000."

In May 1959 when engineering and planning had been completed, the estimated cost of this project was calculated to be...

Land, including road.....	\$ 2,000
Building, including city services.....	171,700
Equipment.....	96,500
Engineering, administration, overhead.....	31,800
Total.....	\$302,000

of which \$25,000 is chargeable to Radio and \$247,000 chargeable to TV

Ottawa, July 13, 1959.

APPENDIX "F"

CANADIAN BROADCASTING CORPORATION

Stanley Street TV Studios—Montreal

The Stanley Street Studios, formerly known as the YWCA building, was leased from the Laurentian Hotel Company for a period of seven years from September 1, 1953, at a rental of \$4,000 per month.

A five storey brick and stone building, with a floor area of 29,479 sq. ft., the Stanley Street Studios now house two TV studios, five dry rehearsal halls, control rooms and some storage space.

The conversion was carried out in three stages:

1. The original conversion, under which one TV studio with dressing and costume rooms and six dry rehearsal areas were constructed. Equipment included three TV camera chains, associated audio, video and lighting control equipment and the necessary scenery and lighting fixtures. The total cost of this work was \$452,577.80.
2. Experience proved that the existing hoist at this location was inadequate for handling the scenery and prop items used there. Consequently it was decided to install a new freight elevator. This was done at a total cost of \$27,835.14.
3. One of the rehearsal areas was converted to a second TV Studio and equipped with two camera chains, video switching, audio and intercom facilities, lighting and lighting control all similar to those in the first studio. The total cost of this work was \$310,994.97.

A fourth minor change was made to allow another rehearsal area to be used as a temporary TV studio at a total cost of \$2,802.13.
July 14, 1959.

APPENDIX "G"

Query by Mr. Egan Chambers re International Service Budget item "Printing of Publications."

The principal item under "Printing of Publications" is the International Service schedule which is distributed free to listeners upon request. It contains program information in the various languages of the service including frequencies of broadcasts. The mailing list comprises nearly 200,000 addresses. The schedule is issued seven times a year at a cost per issue of somewhat under \$4,000.

In some years six issues are charged and in other years eight issues are charged depending on the date of printing and consequently the date that the invoice is received. This explains part of the difference between 1956/57 and 1957/58. A further increase of \$8,000 in 1957/58 was necessary to provide copies of the schedule for distribution at the Canadian booth of the Brussels International Fair. This is in keeping with our practice to distribute the schedule at major International Fairs where the Department of Trade and Commerce is represented and where such publicity can promote our audience.

In addition, several years' supply of the External Affairs' booklet "Canada from Sea to Sea" (15,000 English, 5,000 French) was purchased in 1958/59 at a cost of \$3,400. Such publicity material is used for mailing to groups among our listeners such as teachers, study groups, etc., where the information will serve to answer authoritatively the range of questions from such listeners.

Ottawa, July 13, 1959.

APPENDIX "H"*Television Producer**Duties and Responsibilities*

The PRODUCER, under the supervision of the SUPERVISING PRODUCER and/or the PROGRAM DIRECTOR may contribute to program planning by development of original ideas, by refining and developing ideas submitted by others or by formulating program patterns and plans on formats provided to him; he is directly responsible for the overall quality of the program; he may commission writers to prepare scripts; he selects the performers who are to appear on the program. Through the appropriate channels, he specifies and arranges for services from design, staging, film and from other areas common to both radio and television. Through the technical producer, he arranges for technical personnel and facilities to meet the requirements for his program. He plans and schedules rehearsals. He deals himself, or arranges for others to deal, with problems related to collective agreements with performers' and staff unions. He administers, with the assistance of a unit administrator or unit manager as assigned, the budget allocated to his program subject to regulations and limitations established by the office of the director of the television station. On sponsored programs, he may consult with agency representatives or other representatives of the sponsor. He is the senior Corporation representative at the time his program is produced and is responsible to handle any emergency situation. He ensures that the policies of the Corporation are followed in such matters as good taste, quality of performance and maintenance of production standards.

Qualifications

As indicated to the Committee, we do not have a formal job specification for TELEVISION PRODUCER. When the Corporation began telecasts in the Fall of 1952, a number of RADIO PRODUCERS on staff were offered the opportunity to produce television shows by moving to the television side on a probationary period of two years. During that time, an assessment was made of their ability in the visual field and after the two-year period, those successful were offered television contracts.

At that time also, producers were hired from outside, and the Corporation endeavoured to secure persons who had experience as producers or directors in the legitimate stage or in the cinema industry.

Since then, we have endeavoured mainly to hire persons experienced in various areas of the arts as production assistants and floor managers, and as they became familiar with the medium of television and proved their capabilities, they were given the opportunity of moving into production. Some producers are also hired directly as such after some experience and training abroad. Generally speaking, these applicants are expected to have qualities equivalent to those we require of radio producers for whom job specification is attached, plus proven ability to produce in the visual medium.

Supervising Producer

Job specification attached.

Ottawa, July 13, 1959.

JOB SPECIFICATION

Salary Group No. G-H-I

Position: Producer*Division:* Program*Regular working hours:* Not limited.*Functions:*

Under the general supervision of appropriate program directing officer, is responsible for devising, planning, directing and presenting programs and for seeing that the highest possible program standards are maintained and that the canons of good taste and CBC policies are observed.

Job content:

1. On every program is responsible for the assignment of tasks and for the efficiency and discipline of all personnel connected with the program, including artists, announcers, operators, and sound effects men, which may mean anything from a group of three to a hundred or more. The producer of any program is in charge in the studio and is responsible for directing and coordinating the work of operators, sound effects men and announcers, as well as all non-staff personnel connected with the broadcast.

1. He is held accountable for the successful execution of the program idea and the quality of performance both artistic and technical, for the observance of C.B.C. policy and regulations, for production faults and errors.

2. Responsible for creating and planning new program ideas and/or for appraising ideas submitted.

3. Planning the general lines and detailed procedure by which program ideas may best be presented on the air.

4. Planning and devising suitable studio and microphone technique and pick-ups.

5. Planning the most efficient and economical use of rehearsal time.

6. Planning the most efficient spending of money allocated to assigned program.

7. Keeping up to date on the existence and availability of talent, and on recent developments in his particular field or fields of entertainment, education or information.

8. Analyze scripts and suggestions as to production possibilities.

9. Write or arrange for the writing of script or continuity for programs, edit and approve scripts and select writers.

10. Edit, cut and re-assemble into program form recordings made on an actuality basis.

11. Select, negotiate with and direct musical, dramatic or other talent.

12. Select, in cooperation with orchestra leader when necessary, musical numbers, background music, and gramophone records; arrange for original music or arrangements with composer; plan and arrange for sound effects.

13. In consultation with operators and Program Clearance or Presentation Officer, consider and decide on equipment, pick-up, studios, etc., needed for broadcast.

14. On outside broadcasts to travel, survey, select points of vantage for pick-ups requisition facilities needed for pick-up of program (outside pick-up points, loops, lines, etc.)

15. Establish cost of programs and confer with responsible budget officer.
16. Arrange, schedule and conduct rehearsals; time show for conformity to broadcast period.
17. Confer with commercial department and/or agency on commercial programs; certify attendance sheets.
18. Keep P & I informed of program plans and personalities.
19. Audition or be present at audition of artists.
20. Study and appraise music or scripts and prepare reports for national department supervisors, Program Directors or other program authorities.
21. Perform such other related duties as may be assigned or as the nature of a program may make necessary.

Summary of responsibilities:

1. Important responsibility for outside public relations; this may be exercised indirectly through his presentation of programs and also through contact with the public at all levels from distinguished conductors, established writers, important guests on programs, or officials and representative, Government, churches, societies such as the Red Cross, etc. to inexperienced artists or writers and ordinary listeners. May often be called upon to address meetings, or advise or lecture to schools, institutions, etc., on broadcast matters. Must exercise tact and self-discipline in dealing with artists of all degrees of experience and temperament.

2. Responsible for efficient and economical use of money allocated to individual programs, amounts which may vary from \$50. to \$5000. or more. Must be prepared to use discretion and keep confidential fees and negotiations with artists, writers, etc.

3. Producer is immediately responsible for content of programs. Therefore performance of his work directly affects favorably or adversely the standing and reputation of the Corporation. Errors of taste or judgment may result in severe investigation by the Parliamentary Radio Committee or other public bodies. Further, irresponsibility or errors of judgment on the part of a producer may subject the Corporation to legal proceedings for libel or slander, for breach of contract, for copyright infringement, etc., possibly involving large sums of money for costs and damages.

4. Tact and ability to get along with other people most important if the producer is to exercise full and smooth control over employees engaged in a program and to make sure that deadlines are met by scriptwriters, studio operators, announcers, typists, and other employees concerned with the preliminaries of a program. Responsible for keeping in touch with members of engineering staff in order to keep up to date with new technical broadcasting developments and for discussing the best ways of making use of them for program purposes.

5. Equipment and supplies.

6. Confidential reports and information concerning auditions, fees, contracts, etc.

Working conditions:

Normal studio and office conditions, frequent outside assignments, sometimes involving hazard and discomfort.

Personal qualities:

Acute hearing and accurate ear for music, speech and sound. Good memory. Tact. Self-discipline. Good taste. Showmanship. Creative imagination.

*Minimum starting requirements**Education and general knowledge:*

It is impossible to lay down specific requirements. There is room for specialization; the knowledge and aptitudes required for producing a humorous variety show or the coverage of a regatta or track-meet are quite different from those necessary for producing an opera or a classical tragedy. Preferably university degree in arts and science, drama or music, etc. Broadly speaking a good general education, reinforced by training in one or more of the fields of entertainment and information and experience.

Specific working knowledge:

Practical experience of some field of entertainment education, information or business desirable; plus general working knowledge of studio and microphone characteristics. Appreciation of suitable standards of speech.

Where and how acquired:

May be acquired by previous experience or during trainee period.

Age limits and other physical factors:

25-45 years of age.

*Minimum additional working knowledge to be acquired on job**Minimum time to learn:*

<p>6-9 months. Practice time to reach minimum proficiency: 1-2 years.</p>	}	<p>Very difficult to define time limits depends on previous experience and individual ability.</p>
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JOB SPECIFICATION

Position: Supervising Producer

Salary Group No. I

Division: Program (TV)

Regular working hours: Not Limited

Functions:

Under direction of the TV Program Director and in consultation with the appropriate National Program representatives, plan and organize the production of television programs within his field, e.g., drama, variety, public affairs, sports, features, etc., and on occasion direct programs personally.

Job content:

1. Plan and organize television productions within assigned field.
2. Supervise the production staff and apportion budgets for programs from allocation received from the Program Director.
3. Plan and co-ordinate internal and external arrangements for programming within the assigned field, in consultation with local TV Program Director and National Program representatives.

4. Control program expenditures and other costs affecting programs under his jurisdiction.
5. Act as liaison between producers in assigned field and other television officials on the local establishment.
6. Generally approve selection of artists and script material and work with producers, artists, and writers in his supervisory capacity.
7. Advise on hiring of new production staff assigned to his section.
8. Participate in program schedule planning with local TV Program Director and other supervisory Producers.
9. Keep up with trends and developments particularly in the assigned field.

Summary of responsibilities:

Under direction of the Program Director to be responsible for production of programs within his field as to policy and quality and to be responsible for the proper training of producers assigned to such work. Responsible also for application of various union working conditions and regulations as they affect programs under his direction.

Working conditions:

Normal office work, except when personally supervising or directing a given production; considerable concentration generally.

Personal qualities:

Organization abilities; imagination and showmanship; ability to achieve co-operation among others; tact; self-assurance; well-developed critical faculty; good judgment of people and programs.

Minimum starting requirements

Education and general knowledge:

University graduation or equivalent, plus considerable experience in entertainment or communications media.

Specific working knowledge:

Should be an expert in his field (e.g., drama, variety, sports, public affairs, etc.) with actual experience in production in the theatre, radio, film or television media, (preferably as a producer or director). Knowledge of C.B.C. aims and policies.

Where and how acquired:

In the above mentioned fields, production experience with the C.B.C. desirable.

Age limits and other physical factors:

25-50, excellent health, male or female.

Minimum additional working knowledge to be acquired on job

Minimum time to learn:

6 months.

Practice time to reach minimum proficiency:

1 year.

(19,000)	(17,800)	1,200	(10,800)	(8,900)	1,900	EXCESS OF INCOME OVER EXPENSES BEFORE SERVICE PROGRAMS.....	(10,800)	(11,100)	(300)	(19,000)	(20,200)	(1,200)
200	—	200	100	—	100	Deduct: Cost of local service programs.	100	—	100	200	100	100
(19,200)	(17,800)	1,400	(10,900)	(8,900)	2,000	EXCESS OF INCOME OVER EXPENSES**..	(10,900)	(11,100)	(200)	(19,200)	(20,300)	(1,100)

MEMO

No. of Employees.....
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**** Bracketed figures indicate excess of expenses over income.**

Ottawa, July 13, 1959.

APPENDIX "I"—Concluded
STATEMENT OF INCOME AND EXPENDITURES CBC OWNED TELEVISION STATION 2 MONTHS ENDING MAY 31st, 1959

BUDGET COMPARISON				ACTUAL COMPARISON				
CUMULATIVE YEAR TO DATE		THIS MONTH		THIS MONTH		CUMULATIVE YEAR TO DATE		
Actual	Budget	Increase or (Decrease)	Actual	Budget	Increase or (Decrease)	Actual	Last Year	Increase or (Decrease)
PARTICULARS								
BROADCASTING								
Output								
15	24	(9)	8	12	(4)	8	4	4
177	138	39	90	69	21	90	65	25
9	10	(1)	4	5	(1)	4	5	(1)
483	470	13	244	235	9	244	228	16
684	642	42	346	321	25	346	302	44
TOTAL HOURS.....								
Income								
47,400	43,600	3,800	26,500	21,800	4,700	26,500	23,200	3,300
15,400	11,100	4,300	8,000	5,500	2,500	8,000	4,000	4,000
95,100	70,800	24,300	48,900	35,400	13,500	48,900	42,000	6,900
3,600	—	3,600	1,800	—	1,800	1,800	—	1,800
1,000	3,200	(2,200)	500	1,600	(1,100)	500	400	100
162,500	128,700	33,800	85,700	64,300	21,400	85,700	69,600	16,100
TOTAL INCOME.....								
3,600	2,400	1,200	1,700	1,200	500	1,700	—	1,700
13,900	20,500	(6,600)	7,600	10,200	(2,600)	7,600	18,600	(11,000)
18,400	13,000	5,400	8,600	6,500	2,100	8,600	—	8,600
2,200	800	1,400	1,200	400	800	1,200	1,800	(600)
124,400	92,000	32,400	66,600	46,000	20,600	66,600	49,200	17,400
NET COMMERCIAL.....								
2,600	2,500	100	1,300	1,300	—	1,300	1,300	—
33,200	20,200	13,000	20,200	10,100	10,100	20,200	17,200	3,000
4,000	4,300	(300)	2,100	2,100	—	2,100	1,100	1,000
—	—	—	—	—	—	—	—	—
700	900	(200)	300	500	(200)	300	100	200
1,200	1,300	(100)	600	600	—	600	600	—
—	100	(100)	—	—	—	—	—	—
500	400	100	400	200	200	400	400	—
Deduct: Other Expenses								
Transmission Cost—Salaries.....								
2,600	2,500	100	1,300	1,300	—	1,300	1,300	—
33,200	20,200	13,000	20,200	10,100	10,100	20,200	17,200	3,000
4,000	4,300	(300)	2,100	2,100	—	2,100	1,100	1,000
—	—	—	—	—	—	—	—	—
700	900	(200)	300	500	(200)	300	100	200
1,200	1,300	(100)	600	600	—	600	600	—
—	100	(100)	—	—	—	—	—	—
500	400	100	400	200	200	400	400	—
Deduct: Other Expenses.....								
Transmission Cost—Salaries.....								
2,600	2,500	100	1,300	1,300	—	1,300	1,300	—
33,200	20,200	13,000	20,200	10,100	10,100	20,200	17,200	3,000
4,000	4,300	(300)	2,100	2,100	—	2,100	1,100	1,000
—	—	—	—	—	—	—	—	—
700	900	(200)	300	500	(200)	300	100	200
1,200	1,300	(100)	600	600	—	600	600	—
—	100	(100)	—	—	—	—	—	—
500	400	100	400	200	200	400	400	—
Deduct: Other Expenses.....								
Transmission Cost—Salaries.....								
2,600	2,500	100	1,300	1,300	—	1,300	1,300	—
33,200	20,200	13,000	20,200	10,100	10,100	20,200	17,200	3,000
4,000	4,300	(300)	2,100	2,100	—	2,100	1,100	1,000
—	—	—	—	—	—	—	—	—
700	900	(200)	300	500	(200)	300	100	200
1,200	1,300	(100)	600	600	—	600	600	—
—	100	(100)	—	—	—	—	—	—
500	400	100	400	200	200	400	400	—
Deduct: Other Expenses.....								
Transmission Cost—Salaries.....								
2,600	2,500	100	1,300	1,300	—	1,300	1,300	—
33,200	20,200	13,000	20,200	10,100	10,100	20,200	17,200	3,000
4,000	4,300	(300)	2,100	2,100	—	2,100	1,100	1,000
—	—	—	—	—	—	—	—	—
700	900	(200)	300	500	(200)	300	100	200
1,200	1,300	(100)	600	600	—	600	600	—
—	100	(100)	—	—	—	—	—	—
500	400	100	400	200	200	400	400	—
Deduct: Other Expenses.....								
Transmission Cost—Salaries.....								
2,600	2,500	100	1,300	1,300	—	1,300	1,300	—
33,200	20,200	13,000	20,200	10,100	10,100	20,200	17,200	3,000
4,000	4,300	(300)	2,100	2,100	—	2,100	1,100	1,000
—	—	—	—	—	—	—	—	—
700	900	(200)	300	500	(200)	300	100	200
1,200	1,300	(100)	600	600	—	600	600	—
—	100	(100)	—	—	—	—	—	—
500	400	100	400	200	200	400	400	—
Deduct: Other Expenses.....								
Transmission Cost—Salaries.....								
2,600	2,500	100	1,300	1,300	—	1,300	1,300	—
33,200	20,200	13,000	20,200	10,100	10,100	20,200	17,200	3,000
4,000	4,300	(300)	2,100	2,100	—	2,100	1,100	1,000
—	—	—	—	—	—	—	—	—
700	900	(200)	300	500	(200)	300	100	200
1,200	1,300	(100)	600	600	—	600	600	—
—	100	(100)	—	—	—	—	—	—
500	400	100	400	200	200	400	400	—
Deduct: Other Expenses.....								
Transmission Cost—Salaries.....								
2,600	2,500	100	1,300	1,300	—	1,300	1,300	—
33,200	20,200	13,000	20,200	10,100	10,100	20,200	17,200	3,000
4,000	4,300	(300)	2,100	2,100	—	2,100	1,100	1,000
—	—	—	—	—	—	—	—	—
700	900	(200)	300	500	(200)	300	100	200
1,200	1,300	(100)	600	600	—	600	600	—
—	100	(100)	—	—	—	—	—	—
500	400	100	400	200	200	400	400	—
Deduct: Other Expenses.....								
Transmission Cost—Salaries.....								
2,600	2,500	100	1,300	1,300	—	1,300	1,300	—
33,200	20,200	13,000	20,200	10,100	10,100	20,200	17,200	3,000
4,000	4,300	(300)	2,100	2,100	—	2,100	1,100	1,000
—	—	—	—	—	—	—	—	—
700	900	(200)	300	500	(200)	300	100	200
1,200	1,300	(100)	600	600	—	600	600	—
—	100	(100)	—	—	—	—	—	—
500	400	100	400	200	200	400	400	—
Deduct: Other Expenses.....								
Transmission Cost—Salaries.....								
2,600	2,500	100	1,300	1,300	—	1,300	1,300	—
33,200	20,200	13,000	20,200	10,100	10,100	20,200	17,200	3,000
4,000	4,300	(300)	2,100	2,100	—	2,100	1,100	1,000
—	—	—	—	—	—	—	—	—
700	900	(200)	300	500	(200)	300	100	200
1,200	1,300	(100)	600	600	—	600	600	—
—	100	(100)	—	—	—	—	—	—
500	400	100	400	200	200	400	400	—
Deduct: Other Expenses.....								
Transmission Cost—Salaries.....								
2,600	2,500	100	1,300	1,300	—	1,300	1,300	—
33,200	20,200	13,000	20,200	10,100	10,100	20,200	17,200	3,000
4,000	4,300	(300)	2,100	2,100	—	2,100	1,100	1,000
—	—	—	—	—	—	—	—	—
700	900	(200)	300	500	(200)	300	100	200
1,200	1,300	(100)	600	600	—	600	600	—
—	100	(100)	—	—	—	—	—	—
500	400	100	400	200	200	400	400	—
Deduct: Other Expenses.....								
Transmission Cost—Salaries.....								
2,600	2,500	100	1,300	1,300	—	1,300	1,300	—
33,200	20,200	13,000	20,200	10,100	10,100	20,200	17,200	3,000
4,000	4,300	(300)	2,100	2,100	—	2,100	1,100	1,000
—	—	—	—	—	—	—	—	—
700	900	(200)	300	500	(200)	300	100	200
1,200	1,300	(100)	600	600	—	600	600	—
—	100	(100)	—	—	—	—	—	—
500	400	100	400	200	200	400	400	—
Deduct: Other Expenses.....								
Transmission Cost—Salaries.....								
2,600	2,500	100	1,300	1,300	—	1,300	1,300	—
33,200	20,200	13,000	20,200	10,100	10,100	20,200	17,200	3,000
4,000	4,300	(300)	2,100	2,100	—	2,100	1,100	1,000
—	—	—	—	—	—	—	—	—
700	900	(200)	300	500	(200)	300	100	200
1,200	1,300	(100)	600	600	—	600	600	—
—	100	(100)	—	—	—	—	—	—
500	400	100	400	200	200	400	400	—
Deduct: Other Expenses.....								
Transmission Cost—Salaries.....								
2,600	2,500	100	1,300	1,300	—	1,300	1,300	—
33,200	20,200	13,000	20,200	10,100	10,100	20,200	17,200	3,000
4,000	4,300	(300)	2,100	2,100	—	2,100	1,100	1,000
—	—	—	—	—	—	—	—	—
700	900	(200)	300	500	(200)	300	100	200
1,200	1,300	(100)	600	600	—	600	600	—
—	100	(100)	—	—	—	—	—	—
500	400	100	400	200	200	400	400	—
Deduct: Other Expenses.....								
Transmission Cost—Salaries.....								
2,600	2,500	100	1,300	1,300	—	1,300	1,300	—
33,200	20,200	13,000	20,200	10,100	10,100	20,200	17,200	3,000
4,000	4,300	(300)	2,100	2,100	—	2,100	1,100	1,000
—	—	—	—	—	—	—	—	—
700	900	(200)	300	500	(200)	300	100	200
1,200	1,300	(100)	600	600	—	600	600	—
—	100	(100)	—	—	—	—	—	—
500	400	100	400	200	200	400	400	—
Deduct: Other Expenses.....								
Transmission Cost—Salaries.....								
2,600	2,500	100	1,300	1,300	—	1,300	1,300	—
33,200	20,200	13,000	20,200	10,100	10,100	20,200	17,200	3,000
4,000	4,300	(300)	2,100	2,100	—	2,100	1,100	1,000
—	—	—	—	—	—	—	—	—
700	900	(200)	300	500	(200)	300	100	200
1,200	1,300	(100)	600	600	—	600	600	—
—	100	(100)	—	—	—	—	—	—
500	400	100	400	200	200	400	400	—
Deduct: Other Expenses.....								
Transmission Cost—Salaries.....								
2,600	2,500	100	1,300	1,300	—	1,300	1,300	—

82,200	62,300	19,900	41,700	31,200	10,500	EXCESS OF INCOME OVER EXPENSES BE-					
41,300	55,500	(14,200)	22,500	27,800	(5,300)	FORE SERVICE PROGRAMS.....					
						Deduct: Cost of Local Service Programs					
						41,700	28,500	13,200	82,200	51,900	30,300
						22,500	6,900	15,600	41,300	13,200	28,100
40,900	6,800	34,100	19,200	3,400	15,800	19,200	21,600	(2,400)	40,900	38,700	2,200
						EXCESS OF INCOME OVER EXPENSES**...					

MEMO
No. of Employees..... 12 9 3
**Bracketed figures indicate excess of expenses over income.

Ottawa, July 13, 1959.

APPENDIX "J"

CANADIAN BROADCASTING CORPORATION
INTERNATIONAL SERVICE

Cost per Language Section—1957/58
as per Annual Report

(Replaces sheet distributed 7/7/59)

	\$
Central & Eastern Europe	231,688.
Western Europe	131,148.
Latin American	114,083.
*English	80,825.
*French	63,395.
	<hr/>
Sub-Total	621,139.
General Service and Administration	1,099,092.
	<hr/>
	1,720,231.
	<hr/>

*Note:

The International Service broadcasts news and topical items in English to Great Britain and Western Europe and repeats the same programs with minor adjustments as necessary for the Caribbean area and later for Australia and New Zealand.

Similarly news and topical items are prepared in French for broadcast to France, Belgium and Switzerland with modification for later release to the Caribbean area.

Ottawa, July 13, 1959.

APPENDIX "K"

Following information on local community service provided in Vancouver by the C.B.C. as requested by Mr. Taylor:

In the fiscal year 1958/59 C.B.C. Vancouver donated 737 announcements in radio and 2,067 in television to local community service. Their total value was about \$130,000.

In the course of an average week C.B.C. Vancouver stations C.B.U. and C.B.U.T. broadcast about 100 programs which present community causes and service or discuss issues of special local or regional interest.

During the past year C.B.C. Vancouver also staged a 3½ hour telethon to help the Vancouver Community Chest campaign go over the top; a one-hour preview of the first Vancouver International Festival, and the Centennial Magazine—all on television— and the Centennial Show on Radio which ran for 13 weeks.

All of the foregoing is, of course, in addition to the many national and regional community services carried out by the Corporation on its network.